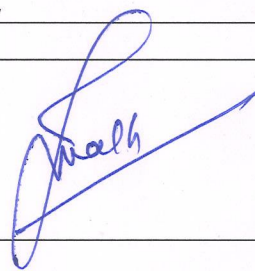
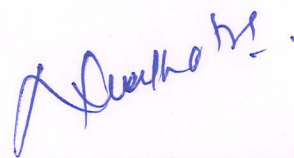
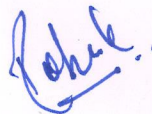

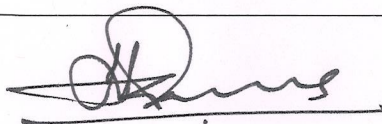


HILTON METAL FORGING LIMITED

FORM A

1.	Name of the Company	Hilton Metal Forging Limited
2.	Annual financial statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	NIL
5.	To be signed by	
	Mr. Yuvraj Malhotra Managing Director	
	Mr. Navraj Malhotra Whole Time Director	
	Mr. Rohit Pandey Chief Financial Officer	
	M/s R K Chudhary & Associates Auditor of the Company	
	Mr. Harmohindar Singh Dhingra Audit Committee Chairman	

HF **HILTON**
METAL FORGING LTD.

Annual Report 2014-2015

BOARD OF DIRECTORS

Shri Yuvraj Malhotra	Chairman and Managing Director
Shri Navraj Malhotra	Whole time Director
Shri Joseph Mckay	Director
Shri Harmohindar Singh Dhingra	Director
Shri Manoj Kumar More	Director
Shri Sanjay Jain	Director
Shri Navin Chokshi*	Director
Smt Diksha Malhotra**	Director

*Resigned as on 28th July, 2015

** Appointed as on 25th March, 2015

COMPANY SECRETARY

Ms. Surabhi Sanjay Pawar

STAUTORY AUDITORS

M/s R K Chaudhary & Associates
Chartered Accountants
3rd Floor, Kamanwala Building
Sir P M Road, Fort,
Mumbai 400 001

REGISTRAR & SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt Ltd
Unit No 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool
Andheri East, Mumbai 400 072

REGISTERED OFFICE

701 Palm Spring, Link Road,
Malad West, Mumbai 400 064

CHIEF FINANCIAL OFFICER

Mr. Rohit Pandey

COST AUDITORS

M/s NNT & Co
Cost Accountants
602 Silver Matru Prabha
Cama Lane, Kirol Road,
Ghatkopar West, Mumbai 400 086

INTERNAL AUDITORS

M/s Vikas Jindal & Associates
Chartered Accountants
B 153 Ostwal Ornate
Jesal Park Bhayander East, Dist Thane 401105

PLANT

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

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HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

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

Email: secretarial@hiltonmetal.com; Ph No: 022-4042 6565

NOTICE

Notice is hereby given that the Tenth Annual General Meeting of the Members of Hilton Metal Forging Limited will be held on Wednesday, 30th September, 2015 at 701 Palm Spring, Link Road, Malad (West), Mumbai-400064 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2015 and the profit & loss account for the year ended on that date along with the schedules thereon and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity shares for the year ended 31st March, 2015.
3. To appoint a Director in place of Mr. Navraj H Malhotra (DIN 00225183) who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an Ordinary Resolution:

“RESOLVED THAT, that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. R K Chaudhary & Associates, Chartered Accountants (Firm Registration No. 35487), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twelfth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT, pursuant to the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Board of Directors of the Company for payment of remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2016, to M/s. NNT & Co, Cost Accountants, for conducting Cost Audit of all applicable products, be and is hereby ratified and confirmed.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and if thought fit, to pass with or without modification (s), the following resolution as a Special resolution:
“RESOLVED THAT Mrs. Diksha Yuvraj Malhotra (DIN- 01393249), who was appointed as an Additional Director w.e.f 25th March, 2015 in terms of Section 161(1) of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, who holds office upto the date of the forthcoming Annual General Meeting, and in respect of whom a notice has been received in writing from a member, proposing her candidature for the office of a Director, be and is hereby appointed as a director of the company whose period of office shall be liable to determination by retirement of directors by rotation.”

“RESOLVED that pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Act and the Rules made thereunder, as amended from time to time, the Company hereby approves of the appointment and terms of remuneration of Mrs. Diksha Yuvraj Malhotra (DIN- 01393249) as the Executive Director of the Company for the period from 5th August, 2015 to 31st March 2018, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mrs. Diksha Yuvraj Malhotra.

RESOLVED FURTHER that the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being

in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Mr. Yuvraj H Malhotra (DIN 00225156) as the Managing Director of the Company for a tenure of five years effective from 20th July, 2015, on the terms and conditions of appointment and remuneration, as recommended by the Nomination and Remuneration Committee in consultation with Board as set out in the explanatory statement annexed hereto, as agreed to by the Board of Directors and Mr. Yuvraj H Malhotra subject to the applicable provisions of the Act, or any amendment thereto or any re-enactment thereof.”

“**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit and subject to such approvals as may be required by law.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Mr. Navraj H Malhotra (DIN 00225183) as a Whole-time Director of the Company for a tenure of five years effective from 20th July, 2015, on the terms and conditions of appointment and remuneration, as recommended by the Nomination and Remuneration Committee in consultation with Board as set out in the explanatory statement annexed hereto, as agreed to by the Board of Directors and Mr. Navraj H Malhotra subject to the applicable provisions of the Act, or any amendment thereto or any re-enactment thereof.”

“**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit and subject to such approvals as may be required by law.”

For and On Behalf of Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:

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

Date: 05/08/2015

Place: Mumbai

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. Proxy Form and Attendance Slip are enclosed. Proxies, duly stamped and executed, must reach at the Registered Office of the Company not less than 48 Hours before the commencement of the Annual General Meeting.
3. A person can act as proxy on behalf of members not exceeding fifty and further a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 23rd September, 2015 to Tuesday 29th September, 2015 (both days inclusive).
5. The dividend, if declared will be paid to all the members who are entitled to receive payment and whose names appear in the Register of Members as on Tuesday 22nd September, 2015.
6. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the Meeting is annexed hereto.
7. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice.
8. The Company has transferred the unpaid or unclaimed dividends declared in the financial year 2007-08 on due date, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with the

companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with company as on 27th September, 2014 (date of last Annual General Meeting) on the website of the Company and also on the website of the Ministry of Corporate Affairs.

9. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with M/s. Sharex Dynamic (India) Private Ltd, Registrar and Transfer Agent of the Company. Members are requested to note that dividends not claimed within seven days from the date of transfer to the Company's Unpaid Dividend Account, will as per Section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013) be transferred to the Investor Education and Protection Fund (the IEPF) and no claim by the shareholder shall lie for un-encashed dividend transferred to IEPF.
10. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
11. Members are requested to intimate to Sharex Dynamic (India) Private Ltd, Registrar and Transfer Agents of the Company their e-mail address for sending notice /documents through e-mail as per directives issued by Government of India, Ministry of Corporate Affairs , vide Circular No 17/2011 dated 21.04.2011 Members are requested to address all correspondences including dividend matters to the Registrar and Transfer Agents, Sharex Dynamic (India) Private Ltd, Unit 1, Luthra Industrial Premises, Safed Pool, Andheri – Kurla Road, Andheri – East, Mumbai - 400 072, Email-henry@sharexindia.com .
12. Members whose shareholding is in the electronic mode are requested to notify immediately the change in their address, bank mandates and e-mail IDs to their respective depository participants. Member holding shares in physical form are requested to intimate any change in address, bank mandates and e-mail IDs immediately to Company/ Sharex Dynamic (India) Private Ltd.
13. As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form are requested to submit the forms to the Company. Members holding shares in electronic form must submit the forms to their respective Depository Participants.
14. Members are requested to bring their copies of Annual Report to the Meeting. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote. Members /proxies attending the meeting should bring the Attendance Slip, duly filled in for handing over at the venue of the meeting.
15. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to Company at its' Registered Office at least 7 days before the date of the meeting, so that the required information to the extent possible can be made available at the meeting.
16. Relevant documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection for eligible members on all working days except on Saturdays, and holidays between 11.00 a.m. to 01.00 p.m. up to the date of the General Meeting.
17. Electronic copy of the Notice of the 10th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Ballot Form and Proxy Form and Annual Report for 2015 are being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 10th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
18. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with Stock Exchanges, the Company is pleased to provide members facility to exercise their right to vote at the 10th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Instruction for Members for voting electronically is as under:

In case of members receiving e-mail:

Log on to the e-voting website www.evotingindia.com

- i. Click on "Shareholders" tab.
- ii. Now, select the "COMPANY NAME" i.e. The Hilton Metal Forging Limited, from the drop down menu and click on "SUBMIT".
- iii. Now Enter your User ID:

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client.
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company. (6 Digit Alpha-Numeric).
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
Permanent Account Number (PAN*)	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the First two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number R12345 then enter RA00R12345 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cutoff date in the Dividend Bank details field.

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant <Company Name> i.e. Hilton Metal Forging Limited, on which you choose to vote.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on "Forgot Password" & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [https:// www.evotingindia.co.in](https://www.evotingindia.co.in) and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) To sl. no. (xvii) Above to cast vote.
- (B) The voting period begins on Friday, 25th September, 2015 at 10.00 a.m. and will end on Monday, 28th September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date of (record date) of 22nd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (D) Other Instructions
- Mr. Haresh Sanghvi, Practicing Company Secretary (Membership No. 2259) has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the remote e-voting and the voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
 - The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - Members who do not have access to the e-voting facility may send their assent or dissent in writing in respect of the resolutions as set out in this Notice, through the duly completed Ballot Form in the enclosed self-addressed postage prepaid envelope (enclosed with the Annual Report) directly to the Scrutinizer so as to reach the Scrutinizer, Mr. Haresh Sanghvi, Practicing Company Secretary (Membership No. 2259), at the Registered Office of the Company not later than 28th September, 2015 at 6.00 p.m. IST. The instructions for Ballot Form are given on the reverse of the said Form.
 - Ballot Form received after 28th September, 2015 at 6.00 p.m. IST will be treated as invalid.
 - A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid. Facility of voting through either electronic voting system or Ballot / Poll, shall also be available at the Meeting. Members holding shares as on cut off date i.e. 22nd September, 2015 and attending the Meeting, who have not already cast their vote by remote e-voting or through Ballot Form shall be able to exercise their right at the Meeting.
 - The Members who have cast their vote by remote e-voting or by Ballot Form prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again at the Meeting.
 - The Results declared along-with the Scrutinizer's Report shall be placed on the Company's website www.hiltonmetal.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the National Stock Exchange of India Limited and BSE Limited.

For and On Behalf of Board of Directors

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

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Date: 05/08/2015
Place: Mumbai

ANNEXURE TO NOTICE

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

ITEM NO. 5:

The Board, on the recommendation of the Audit Committee, has approved the Reappointment and remuneration of M/s. NNT & Co, Cost Auditors, Mumbai to conduct the Cost Audit of the Cost records of the company for the financial year ending 31st March, 2016.

In accordance with the provisions of Section 148 of The Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the company.

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

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

ITEM NO.6

The Board of Directors, pursuant to the provisions of Section 161 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement, appointed Mrs. Diksha Yuvraj Malhotra as an Additional Woman Director of the Company with effect from 25th March, 2015. In terms of Section 161(1) of the Act, Smt. Malhotra holds office only upto the date of the forthcoming Annual General Meeting but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received signifying its intention to propose Mrs. Malhotra's appointment as a Director.

Mrs. Diksha Yuvraj Malhotra is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

Mrs. Diksha Malhotra, aged 47 years, has done Bachelor of Commerce. She has 10 years of experience in marketing forging products in international market. She looks after developing and implementing the marketing strategies for forging products. This enables her to drive operational excellence across the breadth of responsibilities. She has worked diligently for the last about 10 years at the Company in different roles.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, at its meeting held on 5th August, 2015, has appointed Mrs. Diksha Malhotra as Executive Director of the Company for a tenure of three years commencing from 5th August, 2015, on terms and conditions of appointment and remuneration as set out below:

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013.

1. Remuneration:

A. BASIC SALARY & DEARNESS ALLOWANCE:

Rs. 2,50,000/- per month

With such increments as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.

B. NATURE OF DUTIES:

- a) The Executive Director shall devote her whole time and attention to the business of the Company and carry out such duties, as may be entrusted to her by the Board from time to time and separately communicated to her and exercise such powers as may be assigned to her, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.
- b) The Executive Director shall not exceed the powers so delegated by the Board pursuant to clause 2(a) above.
- c) The Executive Director undertakes to employ the best of the skill and ability to make her utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and all such orders and directions as may be given to her from time to time by the Board.

C. PERQUISITES & ALLOWANCES

- i. Perquisites will be allowed in addition to salary and commission and will include accommodation (furnished or otherwise) or house rent allowance together with reimbursement of expenses or allowance for utilities such as gas, electricity, water, furnishings and repairs and all other expenses for the upkeep and maintenance thereof; medical reimbursement on actual basis for self and family members (which shall include spouse, dependent children), reimbursement of leave travel concession for self and family as aforesaid, medical / personal accident insurance cover as per the Company's service Rules, and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and CMD such perquisites and allowances will, however, be subject to a maximum of 40% of the annual salary.

- ii. For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
- iii. Benefits under the Provident Fund Scheme, the Company's Pension/Superannuation Fund Scheme in accordance with the Company's rules and regulations in force from time to time shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable, under the Income-tax Act, 1961. Gratuity payable as per the rules of the tenure shall not be included in the computation of limits for the remuneration as aforesaid.
- iv. Provision for use of the Company's Car for official duties and telephone at residence (including payments for local calls and long distance calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

D. REIMBURSEMENT OF EXPENSES

Expenses incurred for traveling, boarding and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actual and not considered as perquisites.

E. MINIMUM REMUNERATION:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of Mrs Diksha Malhotra's tenure, the company has no profits or the profits are inadequate, the company shall pay basic salary, benefits, perquisites and allowances and incentive remuneration as specified above as Minimum remuneration.

As per requirement of Schedule V of the Act, members' approval by way of special resolution is required for payment of remuneration to Executive Director in excess of limits prescribed under the Companies Act, 2013, in case of absence of profits in any financial year. Hence, the terms of remuneration specified above are now being placed before the Members for their approval.

INFORMATION PURSUANT TO SCHEDULE V PART (II) SECTION II TABLE A:

Nature of Industry	Manufacturers and exporter of Steel forgings & allied products		
Date or expected date of commencement of commercial production	21-07-2005		
In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N A		
Financial Performance based on given indicators for the financial year ended 31/03/2014 & 31/03/2015	Particulars	31/03/2014 Rs (in Lacs)	31/03/2015 Rs (in Lacs)
	Total Income	13012.31	9226.78
	Expenses	12590.73	9660.73
	Profit	304.02	92.56
	EPS	2.44	0.74
	P/E ratio	5.24	23.44
	Total Assets	11386.13	11343.10
	Accumulated Losses	NIL	NIL
Export performance and net foreign exchange	Export of goods FOB Vale Rs 6382.68 Exchange out go Rs 101.32		
Collaborations, if any,	The Company does not have any foreign collaboration		

Information about Appointee

Background details	Mrs. Diksha Malhotra is appointed as a Executive Director of the company for the period of 3 years i.e. from 5th August 2015 Approval for her remuneration is now sought from the Shareholders.
Gross Annual remuneration with last employer	Annual Remuneration of Rs 30,00,000/-p.a all inclusive of allowances and perquisites was paid in F.Y. 14-15
Job Profile and his suitability	She is commerce graduate and is having 10 years of experience in marketing forging products in international market

Remuneration Proposed	Rs. 2,50,000/- per month plus allowances and perquisites as per company's rules, subject to ceiling stipulated in Schedule V of the Act.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Your company is one of leading operator in the Forging Industries. The proposed remuneration is comparable with the other companies of similar size and nature in the Industry.
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any	Being a Major Shareholder of the Company and being relative of other Key Managerial Personnel, she has pecuniary relationship apart from the remuneration drawn from the Company.

Other information

Reasons of loss or inadequate profits	Stiff competition and lower volume in domestic market, pressure on currency are the primary reason lower profit margins.
Steps taken or proposed to be taken for improvement	Strengthening domestic supply chain system and suitable recruitments is underway.
Expected increase in Productivity and profits in measurable terms	Rearranging system for maximum possible use of all machinery.
Disclosures	The remuneration package details are given above

The Directors are of the view that the appointment of Mrs. Malhotra as Executive Director will be beneficial to the operations of the Company and the remuneration payable to him is commensurate with her abilities and experience and accordingly commend the Resolutions at Item Nos. 6 of the Notice for approval by the Members of the Company

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Yuvraj Malhotra, Mrs. Diksha Malhotra and Mr. Navraj Malhotra being director and their relatives are deemed to be concerned or interested in the aforesaid Resolution.

ITEM NO.7

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, at its meeting held on 5th August, 2015, has re-appointed Mr. Yuvraj Malhotra as Managing Director of the Company for a tenure of five years commencing from 20th July, 2015, on terms and conditions of appointment and remuneration as set out below:

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013.

1. Remuneration:

A. BASIC SALARY & DEARNESS ALLOWANCE:

Rs. 5,00,000/- per month

With such increments as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.

B. PERQUISITES & ALLOWANCES

- Perquisites will be allowed in addition to salary and commission and will include accommodation (furnished or otherwise) or house rent allowance together with reimbursement of expenses or allowance for utilities such as gas, electricity, water, furnishings and repairs and all other expenses for the upkeep and maintenance thereof; medical reimbursement on actual basis for self and family members (which shall include spouse, dependent children), reimbursement of leave travel concession for self and family as aforesaid, medical / personal accident insurance cover as per the Company's service Rules, and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and CMD such perquisites and allowances will, however, be subject to a maximum of 40% of the annual salary.
- For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
- Benefits under the Provident Fund Scheme, the Company's Pension/Superannuation Fund Scheme in accordance with the Company's rules and regulations in force from time to time shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable, under the Income-tax Act, 1961. Gratuity payable as per the rules of the tenure shall not be included in the computation of limits for the remuneration as aforesaid.
- Provision for use of the Company's Car for official duties and telephone at residence (including payments for local calls and long distance calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

C. REIMBURSEMENT OF EXPENSES

Expenses incurred for traveling, boarding and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actual and not considered as perquisites.

D. MINIMUM REMUNERATIONS:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of Mr. Yuvraj Malhotra's tenure, the company has no profits or the profits are inadequate, the company shall pay basic salary, benefits, perquisites and allowances and incentive remuneration as specified above as Minimum remuneration.

As per requirement of Schedule V of the Act, members' approval by way of special resolution is required for payment of remuneration to Managing Director in excess of limits prescribed under the Companies Act, 2013, in case of absence of profits in any financial year. Hence, the terms of remuneration specified above are now being placed before the Members for their approval.

INFORMATION PURSUANT TO SCHEDULE V PART (II) SECTION II TABLE A:

Nature of Industry	Manufacturers and exporter of Steel forgings & allied products		
Date or expected date of commencement of commercial production	21-07-2005		
In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N A		
Financial Performance based on given indicators for the financial year ended 31/03/2014 & 31/03/2015	Particulars	31/03/2014 Rs (in Lacs)	31/03/2015 Rs (in Lacs)
	Total Income	13012.31	9226.78
	Expenses	12590.73	9660.73
	Profit	304.02	92.56
	EPS	2.44	0.74
	P/E ratio	5.24	23.44
	Total Assets	11386.13	11343.10
	Accumulated Losses	NIL	
Export performance and net foreign exchange	Export of goods FOB Vale Rs 6382.68 Exchange out go Rs 101.32		
Collaborations, if any,	The Company does not have any foreign collaboration		

Information about Appointee

Background details	Mr. Yuvraj Malhotra, who was appointed as the Chairman and Managing Director of the company for the period of 5 years i.e. from 20 th July 2015 Approval for his remuneration is now sought from the Shareholders.
Gross Annual remuneration with last employer	Annual Remuneration of Rs 60,00,000/-p.a all inclusive of allowances and perquisites was paid in F.Y. 14-15
Job Profile and his suitability	He is Engineering Graduate and specialized in Mechanical Engineering. He has more than 27 year experience in Forging Industry and he is well verse with export market of forgings and allied products and looking after day to day affairs of the Company.
Remuneration Proposed	Rs.5,00,000/- per month plus allowances and perquisites as per company's rules, subject to ceiling stipulated in Schedule V of the Act.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Your company is one of leading operator in the Forging Industries. The proposed remuneration is comparable with the other companies of similar size and nature in the Industry.
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any	Being a Major Shareholder of the Company and being relative of other Key Managerial Personnel, he has pecuniary relationship apart from the remuneration drawn from the Company.

Other information

Reasons of loss or inadequate profits	Stiff competition and lower volume in domestic market, pressure on currency are the primary reason lower profit margins.
Steps taken or proposed to be taken for improvement	Strengthening domestic supply chain system and suitable recruitments is underway.
Expected increase in Productivity and profits in measurable terms	Rearranging system for maximum possible use of all machinery.
Disclosures	The remuneration package details are given above

Hence, the Board commends the resolution as set out of Item no 7. of the Notice for the approval of the Members of the Company

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Yuvraj Malhotra, Mrs. Diksha Malhotra and Mr. Navraj Malhotra being director and their relatives are deemed to be concerned or interested in the aforesaid Resolution.

ITEM NO.8

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, at its meeting held on 5th August, 2015, has re-appointed Mr. Navraj Malhotra as Whole Time Director of the Company for a tenure of five years commencing from 20th July, 2015, on terms and conditions of appointment and remuneration as set out below:

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013.

1. Remuneration:

A. BASIC SALARY & DEARNESS ALLOWANCE:

Rs. 2,00,000/- per month

With such increments as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.

B. PERQUISITES & ALLOWANCES

- Perquisites will be allowed in addition to salary and commission and will include accommodation (furnished or otherwise) or house rent allowance together with reimbursement of expenses or allowance for utilities such as gas, electricity, water, furnishings and repairs and all other expenses for the upkeep and maintenance thereof; medical reimbursement on actual basis for self and family members (which shall include spouse, dependent children), reimbursement of leave travel concession for self and family as aforesaid, medical / personal accident insurance cover as per the Company's service Rules, and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and CMD such perquisites and allowances will, however, be subject to a maximum of 40% of the annual salary.
- For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
- Benefits under the Provident Fund Scheme, the Company's Pension/Superannuation Fund Scheme in accordance with the Company's rules and regulations in force from time to time shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable, under the Income-tax Act, 1961. Gratuity payable as per the rules of the tenure shall not be included in the computation of limits for the remuneration as aforesaid.
- Provision for use of the Company's Car for official duties and telephone at residence (including payments for local calls and long distance calls) shall be not be included in the computation of perquisites for the purpose of calculating the said ceiling.

C. REIMBURSEMENT OF EXPENSES

Expenses incurred for traveling, boarding and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actual and not considered as perquisites.

D. MINIMUM REMUNERATIONS:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of Mr Navraj Malhotra's tenure, the company has no profits or the profits are inadequate, the company shall pay basic salary, benefits, perquisites and allowances and incentive remuneration as specified above as Minimum remuneration.

As per requirement of Schedule V of the Act, members' approval by way of special resolution is required for payment of remuneration to Whole-time Director in excess of limits prescribed under the Companies Act, 2013, in case of absence of profits in any financial year. Hence, the terms of remuneration specified above are now being placed before the Members for their approval.

INFORMATION PURSUANT TO SCHEDULE V PART (II) SECTION II TABLE A:

Nature of Industry	Manufacturers and exporter of Steel forgings & allied products		
Date or expected date of commencement of commercial production	21-07-2005		
In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N A		
Financial Performance based on given indicators for the financial year ended 31/03/2014 & 31/03/2015	Particulars	31/03/2014 Rs (in Lacs)	31/03/2015 Rs (in Lacs)
	Total Income	13012.31	9226.78
	Expenses	12590.73	9660.73
	Profit	304.02	92.56
	EPS	2.44	0.74
	P/E ratio	5.24	23.44
	Total Assets	11386.13	11343.10
	Accumulated Losses	NIL	
Export performance and net foreign exchange	Export of goods FOB Vale Rs 6382.68 Exchange out go Rs 101.32		
Collaborations, if any,	The Company does not have any foreign collaboration		

Information about Appointee

Background details	Mr. Navraj Malhotra, who was appointed as the Whole Time Director of the company for the period of 5 years i.e. from 20 th July 2015 Approval for his remuneration is now sought from the Shareholders.
Gross Annual remuneration with last employer	Annual Remuneration of Rs 24,00,000/-p.a all inclusive of allowances and perquisites was paid in F.Y. 14-15
Job Profile and his suitability	He is Commerce graduate and has more than 9 years in commercial aspects of the industry and he looks after the Purchase, Production planning and other commercial aspects such as shipment, liasoning with Government department etc of the company.
Remuneration Proposed	Rs.2,00,000/- per month plus allowances and perquisites as per company's rules, subject to ceiling stipulated in Schedule V of the Act.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Your company is one of leading operator in the Forging Industries. The proposed remuneration is comparable with the other companies of similar size and nature in the Industry.
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any	Being a Major Shareholder of the Company and being relative of other Key Managerial Personnel, he has pecuniary relationship apart from the remuneration drawn from the Company.

Other information

Reasons of loss or inadequate profits	Stiff competition and lower volume in domestic market, pressure on currency are the primary reason lower profit margins.
Steps taken or proposed to be taken for improvement	Strengthening domestic supply chain system and suitable recruitments is underway.
Expected increase in Productivity and profits in measurable terms	Rearranging system for maximum possible use of all machinery.
Disclosures	The remuneration package details are given above

Hence, the Board commends the resolution as set out of Item no 8. of the Notice for the approval of the Members of the Company

None of the Directors / Key Managerial Personnel of the Company / their relatives except Shri Yuvraj Malhotra, Smt. Diksha Malhotra and Shri Navraj Malhotra being director and their relatives are deemed to be concerned or interested in the aforesaid Resolution.

INFORMATION RELATING TO DIRECTORS PROPOSED TO BE RE-APPOINTED/APPOINTED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES:

Name of Director	Mr. Yuvraj Malhotra	Mr. Navraj Malhotra	Mrs. Diksha Yuvraj Malhotra
Date of Birth	24/03/1966	15/01/1969	13/09/1968
Qualification	B.Sc, B.E (Mechanical)	B.Com	B.Com
Date of Appointment	21/07/2005	21/07/2005	25/03/2015
Expertise	More than 27 years of experience in Forging Industry and he is well verse with export market of forgings and allied products and looking after day to day affairs of the Company	25 years of experience in commercial aspects of the industry and also looks after the Purchase, Production planning and other commercial aspects such as shipment, liasoning with Government department	10 years of experience in marketing forging products in international market
Directorships in other public companies as on 31 st March, 2015	NIL	NIL	NIL
Chairman / Member of any other Committees as on 31 st March, 2015	NIL	NIL	NIL
Shareholding in the Company	55,75,934, Equity Shares	1,49,653 Equity Shares	6,72,812 Equity Shares
Relationship between directors inter-se	Family member of Mrs. Diksha Malhotra and Mr. Navraj Malhotra	Family member of Mrs. Diksha Malhotra and Mr. Yuvraj Malhotra	Family member of Mr. Navraj Malhotra and Mr. Yuvraj Malhotra

For and On Behalf of Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:

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

Date: 05/08/2015

Place: Mumbai

DIRECTORS' REPORT

To

The Share Holders

Hilton Metal Forging Limited

We are pleased to present Tenth Annual Report of the company and the Audited Statement of account for the year ended 31st March 2015. Summary of financial results is given below.

1. PERFORMANCE OF THE COMPANY

(Rs in Lacs)

Particulars	Year Ended March 2015	Year Ended March 2014
Total Income	9226.78	13012.31
Total Expenditure	9066.73	12590.73
Profit before Tax	160.05	421.58
Less: Current Tax /Deferred Tax	67.49	117.56
Profit after Tax	92.56	304.02
Balance Brought forward	962.63	801.41
Balance Available for Appropriation	1055.19	1105.43
Appropriation :		
Proposed Dividend for the Financial year at the rate of Rs.0.25 per share	31.11	62.22
Corporate Dividend Tax	6.37	10.58
Transferred to General Reserves	35.00	70.00
Surplus retained in Profit & Loss account	982.71	962.63

The performance of the company during the year has been adversely affected due to pressure on margin caused by higher input cost and un-remunerative selling price and slackness in demand.

2. DIVIDEND

The Board of Directors has recommended a dividend of 2.5% i.e. Rupee 0.25 (Rupee Twenty Five Paisa) per share of the face value of Rs. 10/- each for the year ended 31 March, 2015.

This dividend is subject to the approval of the Shareholders of the Company at the Annual General Meeting (AGM) scheduled on 30th September, 2015.

The Register of Members and Share Transfer Books will remain closed from Wednesday 23rd September, 2015 to Tuesday 29th September, 2015 (both days inclusive) for the purpose of payment of the dividend for the Financial Year ended 31 March, 2015 and the AGM.

3. EXPORTS :

The total exports of the Company amounted to Rs 67.27 crores (Previous year Rs 76.46 crores) representing about 75% percent of the net sales.

4. FIXED DEPOSITS

During the year, the Company has not accepted any deposits from the public and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

5. COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT

During the year under review, the Company has not appointed Company Secretary as they could not find any suitable candidates on acceptable terms.

However, since then the Company has appointed Ms. Surabhi Pawar as Company Secretary w.e.f. 1st June, 2015.

6. EXTRACT OF ANNUAL RETURN

As per provision of Section 134 of the Companies Act, 2013, the details forming part of the extract of the Annual Return is attached to this Report as "Annexure I" in Form MGT-9.

7. DIRECTORS

The Board of Directors had appointed Mrs. Diksha Malhotra as a Woman (Additional) Director w.e.f. 25th March, 2015, pursuant to the provisions of Companies Act, 2013 and Listing Agreement entered with the Stock Exchanges. In terms of Section 161(1)

of the Act, Mrs. Malhotra shall hold office upto Annual General Meeting of the Company. The Company has received a requisite notice in writing from a member proposing the candidature of Mrs. Malhotra for appointment as Executive Director with effect from 5th August, 2015 for a tenure of three consecutive years and whose period of office shall be liable to retire by rotation. Her appointment is appropriate and in the best interest of the Company.

Mr Navraj Malhotra, Director retires by rotation in terms of provisions of the Companies Act 2013 at the ensuing Annual General Meeting of the Company and offers himself for re-appointment. The Board recommends his re-appointment.

Details of the proposal for the re-appointment of Mr. Yuvraj Malhotra as Managing Director and Mr. Navraj Malhotra as a Whole Time Director, with effect from 20th July, 2015 for a tenure of five consecutive years, are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the Tenth Annual General Meeting of the Company.

The above named Directors have furnished their respective declarations in Form DIR-8 pursuant to the provisions of Section 164(2) of the Companies Act 2013 read with Rule 14 (1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Declaration by Independent Director(s)

Further, all Independent Directors have given their respective declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013

Number of Meetings of the Board

During the year, four Board Meetings and one meeting of Independent Directors were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act 2013. The details thereof are given in the Corporate Governance Report.

Committees of the Board

During the year, your directors have constituted and renamed wherever required, the following committees of the Board in accordance with the requirements of the Companies Act, 2013 and the Listing Agreement. The composition, terms of reference and other details of all Board level committees have been elaborated in the Corporate Governance Report annexed to this report.

1. Audit Committee

The Committee comprises of four non-executive Independent Directors as its members. The Chairman of the Committee is an Independent Director. The audit committee assist the Board in the dissemination of the financial information and in overseeing the financial and accounting processes in the Company. During the Year, there were no instances where the Board had not accepted the recommendation of the Audit committee

In order to ensure that activities of the Company and its employees are conducted in a fair and transparent manner, the Company has adopted a Whistle Blower Policy & Vigil Mechanism. The details of which are available on the Company's website www.hiltonmetal.com

2. Nomination and Remuneration Committee

The Committee was renamed and comprises of three non-executive Independent Directors as its members. The Chairman of the Committee is an Independent Director.

The Board had on the recommendation of the Nomination and Remuneration Committee framed the Nomination and Remuneration Policy to comply with the provisions of Section 178 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement. The Company's Nomination and Remuneration Policy has been annexed as '**Annexure II**' of this Report and is also available on Company's website.

3. Stakeholders' Relationship Committee

The Committee was renamed and comprises of two non-executive Independent Directors and one executive Director as its members. The Chairman of the Committee is a Non executive Independent Director.

The Stakeholders' Relationship Committee considers and resolves the grievances of the security holders of the Company.

Risk management

The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to. The Board also reviews the risk management assessment and minimization procedures.

Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Committees. At the meeting of the Board all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various committees were discussed in detail. A structured questionnaire each for evaluation of the Board, its various Committees and individual Directors was prepared and recommended to the Board by Nomination & Remuneration Committee for doing the required evaluation after taking into consideration the input received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance etc. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the independent Directors was carried out by the entire Board.

The performance evaluation of the Chairman and non-independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with BSE & NSE, Management Discussion and Analysis, Corporate Governance Report, Auditors' Certificate regarding compliance of conditions of Corporate Governance and MD/CEO/CFO Annual certification of financial reporting and Internal Controls is attached as a part of the Annual Report

8. STATUTORY AUDITORS AND THEIR REPORT:

The Shareholders of the Company in their Ninth Annual General Meeting held on 27th September, 2014 had accorded their approval pursuant to the provisions of Sections 139, 141 and other applicable provisions of Companies Act, 2013 and Rules made there under to appoint M/s. R K Chaudhary & Associates, Chartered Accountants, Mumbai, (Membership No 35487), as the Statutory Auditor of the Company for the tenure of three years commencing from then, (subject to ratification by the Members at every AGM). Accordingly, a resolution seeking ratification of appointment is included in notice conveying the Annual general Meeting.

The Auditors' Report to the Shareholders for the year under review does not contain any reservation, qualification or adverse remark.

9. COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of various activities are required to be audited and the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification.

Your Directors had, on the recommendation of the Audit Committee, appointed M/s. NNT & Co., Cost Accountants, to audit the cost accounts of steel products of the Company on a remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand only) for the year 2015-16, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The cost audit report for the financial year 31st March 2015 was duly filed with the Central Government (Ministry of Corporate Affairs) on 4th November 2014.

10. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. H P Sanghvi, a firm of Company Secretaries in practice (C.P. No. 3675) to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed herewith as '**Annexure III**' to this Report. The Secretarial Audit Report contain qualification regarding non appointment of Company Secretary and Chief Financial Officer as Key Managerial Personnel under Section 203 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

11. DISCLOSURES**PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS:**

Details of investments made by the Company have been given in the Financial Statement.

The Company has not given any guarantee or advanced any loans pursuant to the provisions of Section 186 of Companies Act, 2013.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

CASH FLOW ANALYSIS:

In conformity with the provisions of clause 32 of the listing agreement, the cash flow statement for the year ended 31.03.2015 is annexed hereto

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated Under section 134(3)(m) of the companies act, 2013 read with rule 8(3) of the companies (accounts) rules, 2014, is Annexed herewith as 'Annexure-A'.

ENVIRONMENT AND POLLUTION CONTROL:

Top priority continues to be given to preservation of the environment by the company. To combat pollution and strengthen the area ecology, considerable emphasis is placed on plantation of fragrant and shady trees. We are Cautious of preserving water through recycling and rainwater harvesting to the extent possible. The company posses the required environmental clearance from the respective pollution control boards and do comply with the relevant Legislation

The Company is well aware of its responsibility towards a better and clean environment. Our efforts in environment management go well beyond mere compliance with statutory requirements. The Company has always maintained harmony with nature by adopting eco-friendly technologies and upgrading the same from time to time incidental to its growth programs.

PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details are required under Section 197(12) of the Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is forming part of the Directors' Report for the year ended 31st March, 2015 and is attached to this Report and marked as "Annexure IV"

Pursuant to the provisions of Section 136(1) of the Act and as advised, the statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be available for inspection at the Registered Office of the Company during the business hours on working days and Members interested in obtaining a copy of the same may write to the Company Secretary and the same will be furnished on request. Hence, the Annual Report and the Accounts are being sent to all the Members of the Company excluding the aforesaid information.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his/her spouse and dependent children) more than two percent of the equity shares of the Company.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN

Company has Sexual Harassment Policy in place and available on Company's intranet portal. During the year under review, there were no complaints from any of the employee

12. STATUTORY COMPLIANCE

The Company has complied with all the statutory requirements. A declaration regarding compliance of the provisions of the various statutes is also made by the Managing Director at each Board Meeting. The Company ensures compliance of the ROC, SEBI Regulations and provisions of the Listing Agreement.

13. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of annual accounts for the year ended on 31st March, 2015 and confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. ACKNOWLEDGEMENTS:

Your Directors would like express their sincere appreciation of the positive Co-operation received from the Governments and bankers. The Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers, workers and staff of the company resulting in the successful performance during the year.

The board also takes this opportunity to express its deep gratitude for the continued co operation and support received from its valued shareholders.

The Directors express their special thanks to Mr. Yuvraj Malhotra, Chairman and Managing Director for his untiring efforts for the progress of the Company.

For and on behalf of the Board of Directors

Dated:05/08/2015
Place: Mumbai

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Navraj Malhotra
Whole Time Director
DIN: 00225183

ANNEXURE-A

**Prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
CONSERVATION OF ENERGY**

Energy conservation is priority area for the Company, Energy conservation measures taken during the year included:

1. Systematic maintenance of furnaces to ensure optimum performance.
2. Overall Equipment Effectiveness improvement.
3. Load Management to achieve unity power factor.
4. Installed translucent sheets for natural lights.
5. Energy saving by optimum utilization of furnaces
6. Cycle time reduction of forging units.
7. Use energy efficient motors in various equipments.
8. Awareness and training programs for employees

With proper planning and awareness, consumption of electricity and diesel was reduced compared to previous year. Proposed work area includes furnaces, water cooling plants, servo control voltage stabilizers for lighting, compressed air systems and selection of energy efficient plant and machinery.

F O R M - A

(DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY)

(See Rule2)

A. Power and Fuel Consumption	Current year ended 31-03-2015	Previous year ended 31-03-2014
1. Electricity		
Purchased Units (KWH)	2993841	3472965
Total Amount (in Rupees)	22824350	25794857
Rate/unit (Rs.)	7.62	7.43
2. Furnace Oil		
Quantity (KLS)	791	839
Total Amount (Rupees)	30879865	36751431
Average Rate Per KLS	39020	43802
B. Consumption per unit of production		
The company produces wide range of forgings, flanges and other allied products hence to calculate product wise energy consumption is difficult proposition.		

F O R M - B

**(DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESERCH AND DEVELOPMENT (R & D)
TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION:**

1. Efforts made towards technology absorption, adaption and innovation: sustained efforts are made to reduce the consumption of raw material by using versatile designing and multiple lay-out of dies.
2. Benefits derived as a result of the above: Reduction in consumption of raw material.

EXPORT INITIATIVES:

More than half of the turnover of the company is achieved through Exports. The company is taking initiative and putting major thrust on exports. The company has policy to take part in exhibitions on or for Forging Products and Steel products held world-wide. This has benefitted the company since it could include quite a few new customers in its client base. The Company intends to explore the possibility of stock and sell in the US market especially in Oil and Gas sector. Various persons / agencies have been recruited to prepare the feasibility report.

FOREIGN EXCHANGE EARNING AND OUTGO:

Activities relating to Exports: Our Foreign Exchange Earning through exports was to the tune of Rs 6382.68 Lacs. The Company's outgo of foreign exchange activities amounted to Rs 101.32 Lacs particulars of Foreign Exchange earnings and the utilization during the period appears in Schedule XVI to the accounts.

Initiative taken to increase Exports etc;

1. Company regularly participates in various exhibition held in foreign, displaying its products approved by quality awarders world-wide and also demonstrate the company's competitiveness in quality and cost factors.
2. The Company is exercising level best efforts to multiply its relation with existing customers by fulfilling their supply needs.

For and on behalf of the Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Navraj Malhotra
Whole Time Director
DIN: 00225183

Place: Mumbai
Dated: 05/08/2015

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

Extract of the Annual Return as on the financial year ended March 31st, 2015

(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES

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

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

III. PARTICULAR OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year (As on 01.04.2014)				No. of shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	6471979	-	6471979	52.01	6477799	-	6477799	52.06	0.05
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	68400	-	68400	0.55	68400	-	68400	0.55	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	6540379	-	6540379	52.56	6546199	-	6546199	52.61	0.05
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other –Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A) (1)+(A)(2)	6540379	-	6540379	52.56	6546199	-	6546199	52.61	0.05

Category of shareholders	No. of shares held at the beginning of the year (As on 01.04.2014)				No. of shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	583000	-	583000	4.69	583000	-	583000	4.69	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	583000	-	583000	4.69	583000	-	583000	4.69	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	241267	-	241267	1.93	292681	-	292681	2.35	0.42
ii) Overseas	-	150000	150000	1.21	-	150000	150000	1.21	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2787413	5	2787418	22.40	2642780	5	2642785	21.24	1.16
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1776908	-	1776908	14.28	1900449	-	1900449	15.27	0.99
c) Others (specify)									
Trusts									
Clearing member	66698	-	66698	0.54	9835	-	9835	0.08	0.46
Market Maker	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Non Resident Indians (Repat)	-	-	-	-	-	-	-	-	-
Non Resident Indians (Non-Repat)	297346	-	297346	2.39	318067	-	318067	2.56	0.17
Foreign Companies	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Independent Directors	-	-	-	-	-	-	-	-	-
HUF	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):	5169632	150005	5319637	42.75	5163812	150005	5313817	42.71	3.20
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5752632	-	5902637	47.44	5746812	150005	5896817	47.39	3.20
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	12293011	150005	12443016	100	12293011	150005	12443016	100	3.25

(ii) **Shareholding of Promoters**

Shareholders Name	No. of shares held at the beginning of the year (As on 01.04.2014)			No. of shares held at the end of the year (As on 31.03.2015)			% Change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Navraj Malhotra	149653	1.20	N.A	149653	1.20	N.A	-
Yuvraj Hiralal Malhotra HUF	68400	0.55	N.A	68400	0.55	N.A	-
Hilton Steel Forgings Pvt Ltd	68400	0.55	N.A	68400	0.55	N.A	-
Yuvraj Hiralal Malhotra	5570114	44.76	N.A	5575934	44.81	N.A	0.05
Diksha Yuvraj Malhotra	672812	5.41	N.A	672812	5.41	N.A	-
Seema Gujral	11000	0.09	N.A	11000	0.09	N.A	-

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

	Shareholding at the beginning of the year (As on 01.04.2014)		Cumulative Shareholding during the Year (As on 31.03.2015)		
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
Navraj Malhotra					
At the beginning of the year	149653	1.20	149653	1.20	
Changes during the year	No Change During the year				
At the End of the year	149653	1.20	149653	1.20	
Yuvraj Hiralal Malhotra HUF					
At the beginning of the year	68400	0.55	68400	0.55	
Changes during the year	No Change During the year				
At the End of the year	68400	0.55	68400	0.55	
Hilton Steel Forgings Pvt Ltd					
At the beginning of the year	68400	0.55	68400	0.55	
Changes during the year	No Change During the year				
At the End of the year	68400	0.55	68400	0.55	
Yuvraj Hiralal Malhotra					
At the beginning of the year	5570114	44.76	5570114	44.76	
Changes during the year					
Date	Reason				
09-05-2014	Transfer	5670	0.05	5575784	44.81
16-05-2014	Transfer	150	0.00	5575934	44.81
At the End of the year		5575934	44.81	5575934	44.81
Diksha Yuvraj Malhotra					
At the beginning of the year	672812	5.41	672812	5.41	
Changes during the year	No Change During the year				
At the End of the year	672812	5.41	672812	5.41	
Seema Gujral					
At the beginning of the year	11000	0.09	11000	0.09	
Changes during the year	No Change During the year				
At the End of the year	11000	0.09	11000	0.09	

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

	Shareholding at the beginning of the year (As on 01.04.2014)		Cumulative Shareholding during the Year (As on 31.03.2015)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Rahn & Bodmer				
At the beginning of the year	583000	4.69	583000	4.69
Changes during the year	No Change During the year			
At the End of the year	583000	4.69	583000	4.69
2. Deepak Gupta				
At the beginning of the year	557518	4.48	557518	4.48
Changes during the year				
Date	Reason			
16-05-2014	Transfer	4744	562262	4.52
23-05-2014	Transfer	4570	566832	4.56
20-06-2014	Transfer	5290	572122	4.60
18-07-2014	Transfer	7078	579200	4.66
01-08-2014	Transfer	1111	580311	4.67
19-09-2014	Transfer	370	579941	4.67
27-02-2015	Transfer	568	580509	4.67
06-03-2015	Transfer	18749	599258	4.82
At the End of the year		599258	599258	4.82
3. Sony Sebastian				
At the beginning of the year	231200	1.86	231200	1.86
Changes during the year				
Date	Reason			
04-04-2014	Transfer	10300	241500	1.94
11-04-2014	Transfer	1500	243000	1.95
18-04-2014	Transfer	1200	244200	1.96
25-04-2014	Transfer	1700	245900	1.98
02-05-2014	Transfer	1300	247200	1.99
09-05-2014	Transfer	700	247900	1.99
16-05-2014	Transfer	2100	250000	2.01
23-05-2014	Transfer	500	250500	2.02
30-05-2014	Transfer	1100	251600	2.02
06-06-2014	Transfer	1000	252600	2.03
13-06-2014	Transfer	400	253000	2.04
20-06-2014	Transfer	900	253900	2.04
30-06-2014	Transfer	8600	262500	2.11
18-07-2014	Transfer	500	263000	2.12
25-07-2014	Transfer	1000	264000	2.12
12-09-2014	Transfer	100	264100	2.12
30-09-2014	Transfer	100	264200	2.13
05-12-2014	Transfer	200	264400	2.13
12-12-2014	Transfer	300	264700	2.13
09-01-2015	Transfer	100	264800	2.13
16-01-2015	Transfer	400	265200	2.13
23-01-2015	Transfer	50	265250	2.13
30-01-2015	Transfer	750	266000	2.14
06-02-2015	Transfer	3000	269000	2.16

		Shareholding at the beginning of the year (As on 01.04.2014)		Cumulative Shareholding during the Year (As on 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
20-02-2015	Transfer	1000	0.01	270000	2.17
27-02-2015	Transfer	12204	0.10	282204	2.27
06-03-2015	Transfer	500	0.00	282704	2.27
20-03-2015	Transfer	400	0.00	283104	2.28
31-03-2015	Transfer	200	0.00	283304	2.28
At the End of the year		283304	2.28	283304	2.28
4. Chirag Shantilal Shah					
At the beginning of the year		201087	1.62	201087	1.62
Changes during the year		No Change During the year			
At the End of the year		201087	1.62	201087	1.62
5 Omprakash Siremalji Kanungo					
At the beginning of the year		174377	1.40	174377	1.40
Changes during the year		No Change During the year			
At the End of the year		174377	1.40	174377	1.40
6. Evenort Ltd					
At the beginning of the year		150000	1.21	150000	1.21
Changes during the year		No Change During the year			
At the End of the year		150000	1.21	150000	1.21
7. Kamlesh Manohar Kanungo					
At the beginning of the year		135601	1.09	135601	1.09
Changes during the year		No Change During the year			
At the End of the year		135601	1.09	135601	1.09
8. Savitha Kedia					
At the beginning of the year		113007	0.91	113007	0.91
Changes during the year					
Date	Reason				
02-05-2014	Transfer	626	0.01	113633	0.92
30-05-2014	Transfer	19939	0.16	133572	1.08
06-06-2014	Transfer	1490	0.01	135062	1.09
13-06-2014	Transfer	588	0.00	135650	1.09
20-06-2014	Transfer	862	0.01	136512	1.10
14-11-2014	Sale	(16660)	(0.13)	119852	(0.97)
At the End of the year		119852	0.97	119852	0.97
9. Raj Kumar					
At the beginning of the year		90310	0.73	90310	0.73
Changes during the year		No Change During the year			
At the End of the year		90310	0.73	90310	0.73
10. Praful Mehta					
At the beginning of the year		90000	0.72	90000	0.72
Changes during the year		No Change During the year			
At the End of the year		90000	0.72	90000	0.72

(v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding at the beginning of the year (As on 01.04.2014)		Cumulative Shareholding during the Year (As on 31.03.2015)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. YUVRAJ HIRALAL MALHOTRA (Managing Director)				
At the beginning of the year	5570114	44.76	5570114	44.76
Changes during the year				
Date		Reason		
09-05-2014	5670	Transfer	5575784	44.81
16-05-2014	150	Transfer	5575934	44.81
At the End of the year	5575934	44.81	5575934	44.81
Mr. NAVRAJ HIRALAL MALHOTRA (Whole time director)				
At the beginning of the year	149653	1.20	1323990	22.13
Changes during the year			No Change During the year	
At the End of the year	149653	1.20	1323990	22.13
Mrs. DIKSHA YUVRAJ MALHOTRA* (Director)				
At the beginning of the year	672812	5.41	672812	5.41
Changes during the year			No Change During the year	
At the End of the year	672812	5.41	672812	5.41
Mr. HARMOHINDAR SINGH DHINGRA (Director)				
At the beginning of the year	1250	0.00	1250	0.00
Changes during the year			No Change During the year	
At the End of the year	1250	0.00	1250	0.00
Mr. NAVIN CHANDRAKANT CHOKSHI (Director)				
At the beginning of the year	0	0	0	0
Changes during the year			No Change During the year	
At the End of the year	0	0	0	0
Mr. SANJAY SURESH JAIN (Director)				
At the beginning of the year	0	0	0	0
Changes during the year			No Change During the year	
At the End of the year	0	0	0	0
Mr. MANOJ KUMAR MORE (Director)				
At the beginning of the year	0	0	0	0
Changes during the year			No Change During the year	
At the End of the year	0	0	0	0
Mr. JOSEPH WILLIAM MCKAY (Director)				
At the beginning of the year	0	0	0	0
Changes during the year			No Change During the year	
At the End of the year	0	0	0	0

*Mrs. Diksha Yuvraj Malhotra has been appointed as Director w.e.f. 25.03.2015

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2219.03	NIL	NIL	2219.03
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	2219.03	NIL	NIL	2219.03
Change in Indebtedness during the financial year				
• Addition	409.88	NIL	NIL	409.88
• Reduction	NIL	NIL	NIL	NIL
Net Change	409.88	NIL	NIL	409.88

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year				
i) Principal Amount	2628.91	NIL	NIL	2628.91
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	2628.91	NIL	NIL	2628.91

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In Rs.)

Particulars of Remuneration	Mr. Yuvraj Hiralal Malhotra (Managing Director)	Mr. Navraj Hiralal Malhotra (Whole-time Director)	**Mrs. Diksha Yuvraj Malhotra (Executive Director)	Total Amount
Gross salary				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,00,000	24,00,000	-	84,00,000
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	NIL
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	NIL
Stock Option	-	-	-	NIL
Sweat Equity	-	-	-	NIL
Commission - as % of profit - others	-	-	-	NIL
Others	-	-	-	NIL
Total	60,00,000	24,00,000	-	
Total (A)				84,00,000
Ceiling as per the Act	Within the limits as approved by the Shareholders			

B. Remuneration to other directors:

(In Rs.)

Particulars of Remuneration	Total Amount			
	Mr. Harmohindar Singh Dhingra	Mr. Navin Chandrakant Chokshi	Mr. Sanjay Suresh Jain	Mr. Manoj Kumar More
• Fee for attending board / committee meetings	36,000	26,000	-	26,000
• Commission	-	-	-	-
• Others	-	-	-	-
Total (1)	36000	26000	-	26000

Other Non-Executive Directors	Mr. Joseph William Mckay	Total Amount (In Rs.)
• Fee for attending board / committee meetings	-	-
• Commission	-	-
• Others	-	-
Total (2)	-	-
Total (B)=(1+2)		88000
Total Managerial Remuneration (A+B)		8488000
Overall Ceiling as per the Act		NA*

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

**Mrs. Diksha Yuvraj Malhotra has been appointed as Director w.e.f. 25.03.2015

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

(In Rs.)

Particulars of Remuneration	Key Managerial Personnel		Total Amount
	Ms. Surabhi Sanjay Pawar (Company Secretary)*	Mr. Rohit Pramodkumar Pandey (CFO)*	
Gross salary	-	-	-
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit - others	-	-	-
Others	-	-	-
Total	-	-	-

*Ms. Surabhi Sanjay Pawar (Company Secretary) and Mr.Rohit Pramodkumar Pandey (CFO) has been appointed w.e.f. 01.06.2015

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

ANNEXURE-II

REMUNERATION POLICY OF HILTON METAL FORGING LIMITED FOR THE MEMBERS OF BOARD AND EXECUTIVE MANAGEMENT¹.

1. Preamble:
 - 1.1 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors (“Board”), Key Managerial Personnel (“KMP”) and the Senior Management Personnel (“SMP”) of the Company (collectively referred to as “Executives”). The expression “senior management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
 - 1.2 The policy would be reviewed every year by the Nomination and Remuneration Committee of the Board of Directors.
2. Aims & Objectives
 - 2.1 The aims and objectives of this remuneration policy may be summarized as follows:
 - 2.1.1 The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and Executive level.
 - 2.1.2 The remuneration policy seeks to enable the company to provide a well balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
 - 2.1.3 The remuneration policy will ensure that the interests of Board members & Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the “pay-for-performance” principle.
 - 2.1.4 The remuneration policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
3. Principles of remuneration
 - 3.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company’s vision and strategy.
 - 3.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
 - 3.3 Internal equity: The Company shall remunerate the board members and the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
 - 3.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people and the influence of external remuneration pressures.
 - 3.5 Flexibility: Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.
 - 3.6 Performance-Driven Remuneration: The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.
 - 3.7 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.
4. Nomination and Remuneration Committee
 - 4.1 The Remuneration and Compensation Committee of the Board of Directors shall be re-named as Nomination and Remuneration Committee. Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.
 - 4.2 The Committee shall be responsible for
 - 4.2.1 Formulating framework and/or policy for remuneration, terms of employment including service contracts, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;
 - 4.2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Director.
 - 4.2.3 Identifying persons who are qualified to become directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.

- 4.2.4 Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- 4.3 The Committee shall:
- 4.3.1 review the ongoing appropriateness and relevance of the remuneration policy;
- 4.3.2 ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
- 4.3.3 obtain reliable, up-to-date information about remuneration in other companies;
- 4.3.4 ensure that no director or Executive is involved in any decisions as to their own remuneration.
- 4.4 Without prejudice to the generality of the terms of reference to the Nomination and Remuneration Committee set out above, the Committee shall:
- 4.4.1 operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);
- 4.4.2 liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors and Director should possess the highest personal and professional ethics, integrity and
- 4.4.3 review the terms of executive Directors' service contracts from time to time.
- 5 Procedure for selection and appointment of the Board Members
- 5.1 Board membership criteria The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations. In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust. The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.
- 5.2 Selection of Board Members/ extending invitation to a potential director to join the Board 6 Procedure for selection and appointment of Executives other than Board Members
- 6.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;
- 6.2 The Committee may conduct a wide-ranging search for candidates for the positions of Employees within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, if any, and on the human resources market;
- 6.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;
- 6.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of the Employees;
- 6.5 Before the selection of Employee, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;
- 6.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors. One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member. The Board then makes an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board.

7 Compensation Structure

- (a) Remuneration to Non-Executive Directors: The Non-executive Directors of the company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The sitting fees paid to the Non-executive Directors for attending meetings of Board of Directors and Audit Committee of Board of Directors will be as per industrial norms and mutually agreed from time to time. Beside the sitting fees they are also entitled to reimbursement of expenses. The Non-executive Directors of the Company are not paid any other remuneration or commission. The sitting fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified or implemented from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013. (b) Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) &
- (b) Senior Management Personnel (s) (SMPs): The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs, KMPs and SMPs are subjected to the approval of the Board of Directors in due compliance of the provisions of Companies Act, 2013. The remuneration for the KMP and the SMP at the time of the appointment has to be approved by the Board but any subsequent increments shall be approved by the Managing Director of the Company as per the HR policy of the Company and ratified by the Board. As a policy, the Executive Directors are neither paid sitting fee nor any commission.

8 Role of Independent Directors

- 8.1 The Committee shall, in consultation with the Independent Directors of the Company, prepare and submit this policy to the Board for its approval
- 8.2 The Independent Directors shall have power and authority to determine appropriate levels of remuneration of executive directors and Employees and have a prime role in appointing and where necessary recommend removal of executive directors and Employees.
- 8.3 The Independent Directors shall submit its recommendations/ proposals/ decisions to the Committee which the Committee shall consult and take to the Board of Directors.

9 Approval and publication

- 9.1 This remuneration policy as framed by the Committee shall be recommended to the Board of Directors for its approval.
- 9.2 This policy shall be hosted on the Company's website.
- 9.3 The policy shall form part of Director's report to be issued by the Board of Directors in terms of Companies Act, 2013 10 Supplementary provisions

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

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

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

ANNEXURE - III

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

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

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HILTON METAL FORGING LIMITED** (hereinafter called the "Company") for the audit period covering the financial year ended on 31st March, 2015. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (v) **The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

We have also examined compliance of the following to the extent applicable.

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India ; and
- (ii) The Listing Agreement entered into by the Company with the Bombay Stock Exchange and National Stock Exchange of India Limited with respect to the Company's listing of its securities.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

On the basis of our examination and representation made by the Company we report that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above and there are no material non-compliances that have come to our knowledge except non-compliance in respect of

- (a) Non appointment of Company Secretary for the Financial Year 2014-15 as required under Section 203 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (since appointed) .

We Further Report that, there were no actions/ events in pursuance of:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; requiring compliance thereof by the Company during the period under review.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has obtained shareholders' approval for creation of charge, mortgage or hypothecation of the assets or properties of the Company in favour of lenders for borrowing made or to be made by the Company.

**H. P. SANGHVI & COMPANY
COMPANY SECRETARIES**

**Date: 3rd August, 2015
Place: Mumbai**

**HARESH SANGHVI
FCS 2259/CoP No. 3675**

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

ANNEXURE I

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

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**H. P. SANGHVI & COMPANY
COMPANY SECRETARIES**

**Date: 3rd August, 2015
Place: Mumbai**

**HARESH SANGHVI
FCS 2259/CoP No. 3675**

ANNEXURE-IV

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2014-15, ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year**

(In Rs.)

Sr. No.	Name of the Director/KMP and Designation	Remuneration of Director/KMP for the financial year 2014-15	% increase in Remuneration in the financial year 2014-15	Ratio of the remuneration of each director to the median remuneration of the employees
1	Mr. Yuvraj Hiralal Malhotra (Managing Director)	60,00,000	100	19%
2	Mr. Navraj Hiralal Malhotra (Whole Time Director)	24,00,000	166.67	8%
3	Mrs. Diksha Yuvraj Malhotra* (Director)	-	-	-
4	Mr. Harmohindar Singh Dhingra [^] (Independent Director)	-	-	-
5	Mr. Navin Chandrakant Chokshi [^] (Independent Director)	-	-	-
6	Mr. Sanjay Suresh Jain [^] (Independent Director)	-	-	-
7	Mr. Manoj Kumar More [^] (Independent Director)	-	-	-
8	Mr. Joseph William Mckay (Non-executive Director)	-	-	-
9	Ms. Surabhi Sanjay Pawar [#] (Company Secretary)	-	-	-
10	Mr. Rohit Pramodkumar Pandey [#] (CFO)	-	-	-

*Mrs. Diksha Yuvraj Malhotra has been appointed as Director w.e.f. 25.03.2015

Ms. Surabhi Sanjay Pawar (Company Secretary) and Mr. Rohit Pramodkumar Pandey (CFO) has been appointed w.e.f. 01.06.2015

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

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

The % increase in median remuneration of employee is 27%.

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

86 employees as on 31st March, 2015

- iv) **The explanation on the relationship between average increase in remuneration and company performance**

The total sales in the year decreased by 29.19 % over previous year whereas average increase in remuneration of all employees was 12.36 % for the financial year 2014-2015 which is based on the individual's employees performance.

- v) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the company**

The remuneration of the Key Managerial Personnel (Mr. Yuvraj Malhotra) was increased by 100% whereas the profit after tax has decreased by 69.56% during the year.

- vi) **Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer**

Particulars	FY 2014-2015	FY 2013-2014
Shares Price as at 31 st March	17.35	12.8
No. of Equity shares	12443016	12443016
Price Earnings Ratio	23.44	5.24
Market capitalization	Rs. 2158.86 Lacs	Rs. 1592.706 Lacs

**The Company has not made any Public Issue or Rights issue of securities after 2007, so comparison have not been made of current share price with public offer price*

The Company's shares are listed on BSE and NSE.

- vii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

Average percentile increase in the salaries of employees other than the managerial personnel is 10 % whereas the remuneration of the Key Managerial Personnel (Mr. Yuvraj Malhotra) was increased by 100 % during the year under review. The average % increase for managerial personnel is higher as their salaries were lower as compared to the benchmark data.

- viii) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;**

Name of the Key Managerial Personnel	% of revenue (14-15)	% of PAT
Mr. Yuvraj Malhotra (Managing Director)	0.65	0.65

** Ms. Surabhi Sanjay Pawar (Company Secretary) and Mr. Rohit Pramodkumar Pandey (CFO) has been appointed & designated as Key Managerial Personnel w.e.f. 01.06.2015*

- ix) The key parameters for any variable component of remuneration availed by the directors**

The key parameters for variable components are Company PAT, EBITDA, Revenue and share price.

- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;**

Not Applicable

- xi) Affirmation that the remuneration is as per the remuneration policy of the company**

Remuneration paid during the year ended March 31, 2015 is as per Remuneration policy of the Company

MANAGEMENT DISCUSSION AND ANALYSIS

ECOMONY OUTLOOK:

In July 2013, India was teetering on the edge of macroeconomic crisis with double digit inflation, a high and rising current account deficit (CAD), and a falling rupee as investor sentiment turned sour in the aftermath of the Fed's taper decision to signal the end of its quantitative easing. India was grouped with Brazil, Indonesia, Turkey, and South Africa to constitute the Fragile (Famous) Five amongst the emerging market countries (EMs). Nearly 18 months on, the landscape has vastly changed. Macro-economic stability has returned, reforms are being undertaken, the external environment has moved in India's favour, and above all, a new Government has come into power with a relatively unencumbered political mandate for decisive economic change, a mandate that markets have enthusiastically embraced.

The Indian stock market has increased in value by 33 percent since March (in dollar terms), amongst the highest in the EMs, benefitting from surging foreign capital inflows. India now represents one of the sparks in the world economy and the only major country not to suffer a growth downgrade by the IMF. From Fragile Five to Near-Solitary Spark of the global economy is the Indian narrative of the last year.

At the same time, the external environment has turned in India's favour. In this fiscal year, there has been a substantial reduction in the global prices of India's major commodity imports –petroleum, gold, coal, vegetables oils, fertilizers, and silver (that together constitute 51 percent of total imports and 12 percent of GDP). The reduction in prices has been substantial in some cases-40 percent in the case of oil, so that the average reduction weighted by GDP is about 1.8 percent of GDP (around 1.5 percent of GDP if India's exports of oil are also taken into account).

It also noted the possibility of growth remaining on the lower side of the range for the following reasons: (i) lagged effects of reforms undertaken to restart the investment cycle; (ii) weak growth outlook in some Asian economies, particularly China that would depress Indian exports; (iii) elevated levels of inflation that limit the scope of RBI to reduce policy rates; and (iv) expectation of below-normal monsoons. The prospect of economic reforms and a stronger-than-expected recovery in some major advanced economies, especially the United States, were expected to bolster the Indian recovery.

THE GROWTH OUTLOOK

Medium-term economic growth depends on ensuring macro-economic stability (which India is achieving) and on creating an enabling environment for the private sector to invest which the new Government has embarked upon reflected in the policy reforms enacted thus far and described earlier. Fundamentally, India's medium-term growth prospects are promising, and trend rate of growth of about 7-8 percent should be within reach. 'Make in India' initiative of the government coupled with the interest rate reduction cycle is expected to bring an economic revival and increase spending on infrastructure and related sectors. This will provide a huge opportunity for the industrial products. In addition, the government's emphasis on import substitution to reduce the import bill opens up sectors like railways and defense and it augurs well for the domestic Indian manufacturing companies

The Indian Forging Industry has been steadily losing its export market to Chinese manufacturers as they enjoy a 15% export incentive on the FOB value, this has made Indian manufacturers non-competitive barring a few who enjoy large technological advantages for specific forged products over the Chinese manufacturers and maybe even over other global manufactures, though they too are losing domestic market share to Chinese imports. The Government through policy initiatives could level the playing field for the Indian Forging Industry. Indian Steel is approximately 10% more expensive than international ex-factory prices. This differential could be bridged by quick resolution of the mining issues being faced by the Iron Ore and Coke mining Industry, as well as resolving the land acquisition issues being faced by new entrants in steel manufacturing, a classical example is the Posco Steel Project planned in Orissa which is stuck for almost what seems like a decade.

The industry at large is having year old and obsolete technology, which need improvement in order to sustain. The Die, mould and tool wear are major reasons for production downtime and increased costs in most industries.

OPPORTUNITIES

The Management of the company is all set to improvise by adopting few measures such as

1. Using strong base metals for making dies, with effective treatments to increase service life.
2. By carrying out Nitriding Gas Nitriding / Plasma Ion Nitriding are popular surface hardening treatments hardening the material up to 64 HRC. However Nitriding is a capital-intensive technique.
3. By carrying out PVD, CVD Treatments like PVD (Physical Vapour Deposition) and CVD (Chemical Vapour Deposition) are popular in the machine-tool industries in America and European countries. It ensures surface hardness of up to 90 HRC.
4. By using the alternate source of energy used in furnace for heating the material before it's been forged, in this new research and development company is able to achieve the target by saving in the cost, time and environment.

As it is well established fact that the forging industry is capital intensive industry and need huge finance not only for setting up a new unit or upgrading but even for running the same. The company whole heartily supports to the proposal for lower rate interest loans as well as specific alteration in applicability or alienation of MAT provision of Income Tax Act.

RISK AND CONCERNS

Your Company is continuously evolving and improving systems and measures to take care of all the risk exigencies involved in our business in addition to specific risk which are to do with the company's business model. These risks include:

- a) Market Risk
- b) Currency Risk
- c) Interest Rate Risk
- d) Insolvency Risk

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place internal financial control systems, commensurate with the size and complexity of its operations to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of the internal auditor, respective departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

CAUTIONARY STATEMENT

This management discussion and analysis contains forward looking statements that reflects our current views with respect to future events and financial performance. Our actual results may differ materially from those anticipated in the forward looking statements as a result of many factors.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 05/08/2015

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Navraj Malhotra
Whole Time Director
DIN: 00225183

REPORT ON CORPORATE GOVERNANCE**1) COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:**

At HILTON METAL FORGING LIMITED, it has been a constant endeavor to follow the principles of transparency, accountability, ethical business conduct and integrity in functioning to achieve excellence in Corporate Governance, which leads to enhance the value of all stakeholders. The Company has formulated, to ensure the high ethical and moral standards, code of business ethics and code on prohibition of insider trading. The company conducts its activities in a manner that is fair and transparent and perceived to be such by others. Your Company has always complied with the code of Corporate Governance.

2) BOARD OF DIRECTORS:**Composition and size of the Board:**

The Board has an optimum combination of executive, Independent and Non-Executive Directors. The total strength of the Board is of 7 Directors in the financial year 2014-15. The Board has more than 50% of Non-Executive Directors. While the Board has three Executive Directors out of which one is woman director whereas other five Directors are Non-Executive Directors, out of which four are Independent Director and one Professional Director.

B. PROFILE OF ALL DIRECTORS

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

1) Mr. Yuvraj Malhotra, Chairman and Managing Director

Mr. Yuvraj Malhotra, aged 49 years, is one of the main promoters of the Company and has been associated with the Company since inception. He is instrumental in development and growth of the Company. He is an Engineering graduate with specialization in Mechanical Engineering. He has 17 years experience in Forging Industry and looks after Marketing and the day to day affairs of the Company. He started his career from Mukund Iron & Steel Limited as Engineering Trainee for the year 1989 to 1991. From 1991-1993, he worked with Akai Impex Limited (Export House) as a Materials Manager. From 1993-1994 he worked with Garg Forgings Pvt Limited as a Director. From 1994-1997, he worked with Viraj Forging Limited as a Vice President –Marketing. After resigning from Viraj Forging Limited, in 1997 he started his own proprietorship i.e M/s Hilton Forge by exporting Flanges and other Automobiles Part to various countries. He is also a promoter director of Hilton Steel Forgings Private Limited, a Company dealing in forging and other Metal Products and partner in Delta Cut tools a firm engaged in machining of all types of steel items.

2) Mr. Navraj Malhotra, Whole Time Director

Mr. Navraj Malhotra, aged 45 years, is a Commerce graduate. He looks after the Purchase, Production planning and other commercial aspects such as shipment, liasoning with Government department etc. He has an experience of 9 years in commercial aspects of the industry.

3) Mr. Navin Chokshi, Non Executive and Independent Director

Mr. Navin Chokshi aged 61 years, is commerce graduate and an Associate Member of the Institute of Chartered Accountants of India with 27 years relevant experience.

4) Mr. Manoj Kumar More, Non Executive and Independent Director

Mr. Manoj Kumar More aged 39 years, is a commerce graduate and a Fellow Member of the Institute of Chartered Accountants of India with 10 years of experience as a Practicing Chartered Accountant.

5) Mr. Harmohindarsingh Dhingra, Non Executive and Independent Director

Mr. Harmohindarsingh Dhingra aged 76 years, is a commerce graduate and Masters in Arts with specialization in Economics/ Statistics. He is also an Associate member of Indian Institute of Bankers & A.C.C.S from London. He Retired as Deputy General Manager from Central Bank of India after 41 years of service.

6) Mr. Sanjay Jain, Non Executive and Independent Director

Mr. Sanjay Jain, aged 49 years, is an Engineering graduate with specialization n Metallurgy. He has about 17 years of experience in the Industry.

7) Mr. Joseph William Mckay, Non- Executive and Professional Director

Mr. Joseph William Mckay aged 75 years, is qualified metallurgist and acquired substantial experience as a Manager at Howard Balfour and Sons Limited, UK. In 1982 he set up his own Company Evenort Limited which is in the business of trading in stainless steel items such as bar, pipe, fittings and flanges.

8) Mrs. Diksha Malhotra, Executive and Non- Independent Director

Mrs. Diksha Malhotra, aged 47 years, has done Bachelor of Commerce. She has 10 years of experience in marketing forging products in international market. She looks after developing and implementing the marketing strategies for forging products.

C Board Meetings, Attendance and other details:

During the year under review, Four Board Meetings were held at Mumbai The Board Meetings were held on 7th May, 2014, 1st August, 2014, 14th November, 2014 and 10th February, 2015. The maximum gap between two Board Meetings did not exceed the prescribed time in clause 49 of the Listing Agreement.

The compositions of the Board, attendance at the Board meetings held during the Financial Year under review and at the last Annual General Meeting, number of directorship, Memberships/Chairmanships of the Committees of public companies and their shareholding as on March 31, 2015 in the Company are as follows:-

Name of Directors	DIN	Designation/ Category of Directors	No. of Board Meetings attended /held in F.Y.2014-2015	Attendance at the last A.G.M.	No. of Directorship \$	Committee position**		Shareholding
						Chairman	Member	
Mr. Yuvraj Malhotra	00225156	Executive	4	Yes	1	Nil	1	55,75,934
Mr. Navraj Malhotra	00225183	Executive	4	Yes	Nil	Nil	Nil	1,49,653
Mr. Joseph McKay	00384145	Independent Non Executive	1	Yes	Nil	Nil	Nil	Nil
Mr. Sanjay Jain	00152758	Independent Non Executive	2	No	1	Nil	2	Nil
Mr. Manoj Kumar More	00040190	Independent Non Executive	4	Yes	1	1	2	Nil
Mr. Navin Chokshi	00001867	Independent Non Executive	3	Yes	7	Nil	Nil	Nil
Mr. Harmohindar Singh Dhingra	00037089	Independent Non Executive	4	Yes	Nil	2	2	1250
*Mrs Diksha Yuvraj Malhotra	01393249	Executive	0	No	1	Nil	Nil	6,72,812

\$ This excludes Directorship held in foreign companies and other Private Limited Companies.

* Mrs Diksha Malhotra has been appointed on 25th March, 2015. Hence no meeting attended during the year

**Only Audit Committee and Stakeholders Relationship Committee in Public Limited Companies (listed and unlisted) have been considered for the Committee positions

D. Meeting of Independent Directors and Evaluation of the Boards Performance

During the year under review, the Independent Directors met once on 10th February, 2015, inter alia, to:

- i. Evaluate the performance of non-independent directors and the Board as a whole;
- ii. Evaluate performance of the Non-executive Chairman of the Company; and
- iii. Evaluate the quality, quantity and timelines of flow of information between the executive management and the Board.

The suggestions made at the meetings of the Independent Directors were communicated to the Non-executive Chairman and the Executive Director for taking appropriate steps. All Independent Directors were present at the meeting.

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the Nomination and Remuneration Committee and entire Board members and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

3) COMMITTEES OF THE BOARD:

The Board has constituted the following Committees of Directors:

a) Audit Committee:

The Audit Committee met 4 times during the year on 7th May, 2014, 1st August, 2014, 14th November, 2014 and 10th February, 2015. All the meetings were chaired by Mr. Harmohindar Singh Dhingra. The composition, names of the members, chairperson, particulars of the meeting and attendance of the member during year are as follows:

Sr.No.	Names of Members	Designation	Category of Director	Attendance Meeting
1	Mr. Harmohindar Singh Dhingra	Chairman	Independent Non executive	4
2	Mr. Manoj Kumar More	Member	Independent Non executive	4
3	Mr. Sanjay Jain	Member	Independent Non executive	2
4.	Mr. Navin Chokshi	Member	Independent Non executive	3

Role of Audit Committee and its terms of reference include:

- To focus its attention on subjects relating to accounting standards, internal controls and financial policies.
- To oversee the Company's financial reporting process and disclosure of its financial information.
- To review the financial statement before submission to the Board of Directors.
- To hold discussion with Management regarding the internal control system.
- To hold prior discussion with external auditors regarding scope and nature of audit before commencement of the audit and also to have pos audit discussion on the areas of concern

b) Nomination and Remuneration Committee:

The Remuneration Committee has been renamed as "Nomination and Remuneration Committee" as required under Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Committee has been constituted to recommend/ review the remuneration package of the Managing / whole time Directors, based on performance and defined criteria. Mr. Harmohindar Singh Dhingra was the chairman of the Committee.

The Committee has been authorized to determine the remuneration package for any Executive Directors as well as remuneration payable to the non-executive Directors from the year to year.

The composition of the committee is as follows:

Sr.No.	Name of Members	Designation	Nature of Directorship
1.	Mr. Harmohinder Singh Dhingra	Chairman	Non-Executive, Independent
2.	Mr. Manoj Kumar More	Member	Non-Executive, Independent
3.	Mr. Sanjay Jain	Member	Non-Executive, Independent

No meeting of the Committee held during the year

Remuneration Policy

The Remuneration Policy recommended by Nomination and Remuneration Committee has been accepted by the Board of Directors and the same has been annexed to the report of the Directors and is also available on the Company's website www.hiltonmetal.com

Familiarization Program

The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company and related matters are put up on the website of the Company.

Details of Remuneration paid to the Directors

The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee thereof attended by them. Other than sitting fees, no other remuneration paid to the Non-Executive Directors for the year 2014-15.

Details of Remuneration paid to the Directors for the year ended 31st March, 2015 are as follows:

Directors	Relationship with the other Directors	Business Relationship	Sitting Fees	Salary/ Perquisites	Contribution to P.F.	Total
Mr. Yuvraj Malhotra	Brother of Mr. Navraj Malhotra	Promoter	Nil	60,00,000	Nil	60,00,000
Mr. Navraj Malhotra	Brother of Mr. Yuvraj Malhotra	Promoter	Nil	24,00,000	Nil	24,00,000
Mr. Joseph McKay	None	None	Nil	Nil	Nil	Nil

Directors	Relationship with the other Directors	Business Relationship	Sitting Fees	Salary/ Perquisites	Contribution to P.F.	Total
Mr. Navin Chokshi	None	None	26000	Nil	Nil	26000
Mr. Manoj Kumar More	None	None	26000	Nil	Nil	26000
Mr. Harmohindar Singh Dhingra	None	None	36000	Nil	Nil	36000
Mr. Sanjay Jain	None	None	Nil	Nil	Nil	Nil
Mrs. Diksha Malhotra*	Wife of Mr. Yuvraj Malhotra	Promoter	Nil	Nil	Nil	Nil

*Mrs. Diksha Malhotra has been appointed as Director w.e.f. 25.03.2015

c) Stakeholders' Relationship Committee:

The Investors Grievance Committee has been renamed as "Stakeholders' Relationship Committee" as required under Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The terms of reference of the Committee is to redress Shareholders and Investors complaints, to review all matters connected with the share transfers and to review status of legal cases involving the investors where the Company has been made a party.

The Company's Registrar & Share Transfer Agents, M/s Sharex Dynamic (India) Private Limited are fully equipped to carry out the transfers of shares and redress Investor complaints.

The composition of the Stakeholders' Relationship Committee is as follows.

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

No meeting of the Committee held during the year.

Details in respect of Compliance Officer:

Sr.No.	Name	Designation of Compliance officer
1	Ms. Surabhi Pawar	Company Secretary

Details of Investors Complaints received during F.Y. 2014-15 are as follows:

Sr.No.	Nature of Complaints	Whether Received		No. of Complaints Redressed	Pending Complaints
		SEBI	DIRECT		
1.	Non-Receipt of Refund	-	-	-	Nil
2.	Non- Receipt of Dividend	-	1	1	Nil
3.	Non- Receipt of Annual Report	-	-	-	Nil

4) GENERAL BODY MEETINGS:

The Location and time of the Annual General Meetings held during last 3 years are as follows:

AGM	DATE	TIME	VENUE
9th	27.09.2014	4.00 PM	701, Palm Spring, Link Road Malad West, Mumbai-400064
8th	30.09.2013	11.30AM	701, Palm Spring, Link Road Malad West, Mumbai-400064
7th	29.09.2012	11.30AM	701, Palm Spring, Link Road Malad West, Mumbai-400064

Special Resolutions passed during the last three AGMs

Date	Particulars
27.09.2014	1. To approve payment of remuneration to Mr. Yuvraj Malhotra as Chairman & Managing Director 2. To create mortgage / hypothecation/ pledge/ charge/ security in any form or manner on the properties and assets of the Company under Section 180 (1) (a) of the Companies Act, 2013 3. To borrow monies under Section 180 (1) (c) of the Companies Act, 2013
30.09.2013	NIL
29.09.2012	NIL

No item of Business, which required the member's approval through postal Ballot, was transacted during the year 2014-15. Accordingly the Companies (Postal Ballot) rules 2001 are not applicable during the said year.

5) DISCLOSURES:**i Related Party Transactions:**

All transactions entered into with related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements

ii. Strictures and Penalties

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

iii. Inter se relationships between the Directors of the Company

Mr. Navraj Malhotra and Mr. Yuvraj Malhotra are brothers whereas Mrs. Diksha Malhotra is the wife of Mr. Yuvraj Malhotra. Except as mentioned above, none of the other Directors have any relation *inter-se*.

iv. Vigil Mechanism / Whistle Blower Policy

The Company has in place a vigil mechanism for Directors and Employees to report genuine concerns about any wrongful conduct with respect to the Company or its business or affairs. This policy covers malpractices, misuse or abuse of authority, fraud, violation of company's policies or rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected or likely to be affected and formally reported by whistle blowers.

The Policy provides that all Protected Disclosures can be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee / Whole-time Director / Chairman in exceptional cases. All protected disclosures under this policy will be recorded and thoroughly investigated. If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. The details of the vigil mechanism are also available on the Company's website www.hiltonmetal.com

v. Transfer to Investor Education and Protection Fund

In compliance with the provisions of Section 205A of the Companies Act, 1956 a sum of Rs. 46,276/- being the unclaimed dividend lying out of the dividend declared by the Company for the Financial Year ended March, 2008 was transferred to Investor Education and Protection Fund of the Central Government in Financial Year ended as on March, 2015.

vi. Code for prevention of Insider-Trading Practices

The Securities and Exchange Board of India vide notification dated January 15, 2015 notified The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which is effective from May 15, 2015. The Company has amended its Insider Trading Prohibition Policy accordingly.

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

vii. Mandatory Requirements

The Company has complied with the applicable mandatory requirements of the revised Clause 49 of the Listing Agreement

6) MEANS OF COMMUNICATION:

The Annual, half yearly and Quarterly results submitted to the Stock Exchange and published in Newspapers in accordance with the Listing Agreement. Company's un-audited quarterly results for Quarter ended 30th June, 2014, 30th September, 2014, 31st December, 2014 were published in the Free Press Journal ,Mumbai(English Daily) and Navshakti (Vernacular Daily). The audited results for the year ended 31st March, 2015 were published in the Free Press Journal, Mumbai (English Daily) and Navshakti (Vernacular Daily).

7) (a) General Shareholder Information:

Company Registration Details	CIN: L28900MH2005PLC154986
Annual General Meeting (Date, Time and Venue)	Wednesday, 30 th September, 2015 at 4.00 P M at 701, Palm Spring, Link Road, Malad West, Mumbai – 400064
Financial Calendar	The Company follows April-March as its financial year. The results for every quarter beginning from April are declared in the month following the quarter.
Results for the quarter ending	June 30, 2015 - on or before August 14, 2015 September 30, 2015 - on or before November 14, 2015 December 31, 2015 - on or before February 14, 2016 March 31, 2016 - on or before May 30, 2016
Book Closure date	Wednesday, 23 rd September, 2015 to Tuesday, 29 th September, 2015 [Both days inclusive]
Dividend Payment	Dividend of 2.5% on the Equity Share amounting to Rs.0.25 on each Equity Share of Rs.10/- each at par, of the Company will be paid to the Shareholders whose names appear in the Register of Members as on 22 nd September 2015, subject to approval of the Shareholders at the 10 th Annual General Meeting, within the statutory time limit of 30 days
Listing on Stock Exchanges	BSE Limited, P.J. Towers, Dalal Street, Fort, Mumbai-400001 Security Code: 532847 The National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra(East), Mumbai-400051 Security Code: HILTON ISIN INE788H01017 Listing Fees up to the Financial Year 2015-16 have been paid in full to both the Stock Exchanges.
Registrar & Share Transfer Agents	SHAREX DYNAMIC (INDIA) PVT.LTD. Unit No.1, Luthra Industrial Premises, Andheri - Kurla Road, Safed Pool, Andheri(E), Mumbai-400072 Tel: (022) 28515606 / 44 Fax: (022) 28512885 Business Hours: Monday to Friday: 10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m. Contact Person: Mr. T. Sasikumar
Share Transfer System	The power of approving transfer of securities has been delegated to the Company's Registrar and Share Transfer Agent, M/s Sharex Dynamic (India) Pvt. Ltd., Mumbai. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities, as required under clause 47(c) of the Listing Agreement, and files a copy of the certificate with Stock Exchanges
Plant Location	Plot Nos. 1,2,3,15,21,25,26,28,& 30, SHAH & MEHTA IND. ESTATE, Village-Ghonsai, Tal. Wada, Dist. Thane
Address Correspondence	Hilton Metal Forging Limited, 701, Palm Spring, Link Road, Malad (West), Mumbai-400064

(b) Market Price Data: High/Low during each month of 2014-15 on Stock Exchange, Mumbai:

Market Price Data Month	Share prices of the Company for the Period April 2014 to March, 2015			
	Bombay Stock Exchange		The National Stock Exchange of India	
	High(Rs)	Low(Rs)	High(Rs)	Low(Rs)
April,2014	15.55	12.36	15.00	14.35
May ,2014	16.90	13.08	15.90	13.75
June,2014	19.70	14.35	17.25	16.55
July,2014	17.90	15.00	15.00	15.00
August,2014	17.75	14.50	17.00	15.75
September,2014	29.60	16.70	23.30	20.30
October,2014	22.90	18.00	19.90	18.20
November2014	22.90	18.15	19.75	18.55
December,2014	21.50	15.60	18.05	17.50
January, 2015	20.95	17.50	18.95	17.65
February, 2015	20.90	16.10	18.00	16.70
March, 2015	19.15	15.30	18.50	16.35

(c) **Categories of Shareholding as on 31st March, 2015:**

Categories	Number of Shares	Amount in Rs	%
Promoters, Directors, Relatives and Companies under the same Management	6546199	65461990	52.61
Mutual Funds	0	0	0
Banks	0	0	0
FII(s)	583000	5830000	4.69
Private Corporate Bodies	442681	4426810	3.55
Indian Public	4543234	45432340	36.51
NRI's	318067	3180670	2.56
Clearing Members	9835	98350	0.08
TOTAL	12443016	124430160	100

The Company's shares are currently traded only in dematerialised form over NSE & BSE. To facilitate trading in dematerialised form, the Company has tied up with NSDL and CDSL. Shareholders can open account with any of the depository participants registered with any of these depositories. As on March 31, 2015, 98.79% (1,22,93,011 Equity Shares) of the Company's equity shares were held in dematerialized form.

(d) **Distribution of Shareholding as on 31st March, 2015:**

No. of equity Shares held	Shareholders		Total Shares	
	Number	% of Total	Shares	% of Total
1-100	2833	41.29	185543	1.49
101-200	1239	18.06	218693	1.76
201-500	1534	22.35	555780	4.47
501-1000	687	10.01	538142	4.32
1001-5000	482	7.02	995991	8.00
5001-10000	43	0.63	304981	2.45
10001-100000	33	0.48	999008	8.03
100001 and above	11	0.16	8644878	69.48
Total	6862	100	12443016	100

(e) **Address for Correspondence**

For any assistance regarding share transfer and transmission, change of address, non-receipt of dividend, duplicate/missing share certificates, demat and other matters, please write to or contact Registrar & Share Transfer Agent of the Company at address mentioned above. For any query on the Annual Report and for any complaints or suggestions, please write to or contact:

Ms. Surabhi Pawar
Company Secretary
Hilton Metal Forging Limited
Regd Off : 701, Palm Spring, Link Road, Malad West, Mumbai – 400064
Tel. No. 022-40426565
e-mail ID: secretarial@hiltonmetal.com

7) Certificate on Compliance with Code of Conduct

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all the Board Members and Senior Managerial Personnel have confirmed their compliance with the Code of Conduct for the year ended March 31, 2015.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 05/08/2015

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Navraj Malhotra
Whole Time Director
DIN: 00225183

MANAGING DIRECTOR CERTIFICATION

In accordance with clause 49(IX) of the listing agreement with the BSE Limited and the National Stock Exchange of India Limited, we certify that:

1. We have reviewed financial statements and the cash flow statement of Hilton Metal Forgings Limited for the year ended March 31st, 2015 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
 - i. the significant changes in internal control over financial reporting during the year, if any;
 - ii. significant changes in accounting policies during the year, if any, have been disclosed in the notes to the financial statements; and
 - iii. that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Dated: 05/08/2015
Place: Mumbai

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

AUDITORS CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of

Hilton Metal Forging Limited

We have examined the compliance of conditions of Corporate Governance by Hilton Metal Forging Limited, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Management, our examination was carried out in accordance with the Guidance Note of Certification of the Corporate Governance (stipulated in Clause 49 of Listing Agreement) issued by the Institute of Chartered Accountant of India and was limited to the procedures and implementation there of, adopted by the company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

R K Chaudhary & Associates
Chartered Accountants
Firm Registration No 133512W

Place Mumbai
Date 5-8-2015

R K Chaudhary
Proprietor
M No 035487

INDEPENDENT AUDITOR'S REPORT

To the Members of
Hilton Metal Forgings Limited

1. Report on Financial Statements:

We have audited the accompanying financial statements of **HILTON METAL FORGINGS LIMITED** as at March 31, 2015 which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Managements Responsibility for the Financial Statements:

Management and Board of Directors of the Company are responsible for the matters stated in section 134(5) of the Companies Act 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India including Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentations of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provision of the Companies Act, 2013, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the act and rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements whether due to fraud or error. In making those risk assessment, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion:

In our opinion and to the best of our information and according to the explanations gives to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (the 'Act') we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we 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 accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards 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 March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditors Report in accordance with rule 11 of the Companies (Audit & Auditors) Rules, 2014.
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long term contracts including derivative contract, as such the question of commenting on any material foreseeable losses thereon does not arise.
 - (iii) During the year under report, the company has transferred an amount of Rs 46,276/- being unclaimed refund amount, to the Investor Education and Protection Fund.

**For R. K. CHAUDHARY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION
NO.133512W**

**PLACE: MUMBAI
DATE: 26-5-2015**

**(R. K. CHAUDHARY)
PROPRIETOR
M.NO. 035487**

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

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

1. (a) The Company has maintained proper records showing particulars, including quantitative details and situation of its fixed assets;
 - (b) As explained to us all the fixed assets, according to the practice of the Company are physically verified by the Management at reasonable intervals, in a phased verification-program, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.
 - (c) The Company has not disposed off any substantial part of its Fixed Assets so as to affect its going concern;
2. None of the Fixed Assets of the Company have been re-valued during the year.
3. The procedure as explained to us, which are adopted and followed by the Management for physical verification of the above inventory, in our opinion, are reasonable and adequate in relation to the size of the company and the nature of its business.
4. On the basis of our examination of the inventory records of the Company, we are of the opinion that the company is maintaining records of its inventory. No discrepancies were noticed upon physical verification of inventories as compared to the book records.
5. We are of the opinion that the valuation of Stocks is fair & proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
6. According to the information and explanations given to us, the Company has not granted / taken any secured or unsecured loans from companies, firms and other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
7. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and nature of its business with regards to the purchase of Raw Material, including components, Stores and Fixed Assets and for sale of goods. During the course of our Audit, we have not observed any major weakness in the internal control.
8. The Company has not accepted any deposits from the public during the year.
9. As informed to us, the Central Government has prescribed maintenance of cost record under sub section (1) of section 148 of the Act in respect of the company's products and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained to the extent applicable.
10. a) According to the information and explanations given to us and based on the records of the company examined by us, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax and other material statutory dues, as applicable, with the appropriate authorities in India

- b) According to the information and explanations given to us and based on the records of the company examined by us, there are no undisputed dues of Income Tax, Sales Tax, Wealth Tax, Service Tax.
- c) During the year under report, the company has transferred an amount of Rs 46,276/- being unclaimed refund amount, to the Investor Education and Protection Fund, within the stipulated time frame.
11. The Company neither has accumulated losses at the end of the financial year nor has incurred cash losses, both, in the financial year under report and the immediately preceding financial year.
12. On the basis of the records examined by us and according to the information and explanation given to us the Company has not defaulted in repayment of dues to financial institutions and banks.
13. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.
14. The company has availed medium term loan for procurement of machinery from a bank. The terms and condition of the repayment are not prejudicial to the interest of the company.
15. During the course of our examination of the books and records of the company carried in accordance with the auditing standards generally accepted in India, We have neither come across in instance of fraud on or by the company notice or reported during the course of our audit nor have we been informed of any such instance by the management.

**For R. K. CHAUDHARY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION
NO.133512W**

**PLACE: MUMBAI
DATE: 26-5-2015**

**(R. K. CHAUDHARY)
PROPRIETOR
M.NO. 035487**

HILTON METAL FORGING LIMITED			
BALANCE SHEET AS AT 31ST MARCH 2015			
(Amount Rs. In lacs)			
Particulars	Note No.	Figures As At the end of current reporting Period 31-3-2015	Figures As At the end of Previous reporting Period 31-3-2014
I. EQUITY AND LIABILITY			
(1) Share Holders' Fund			
(a) Share Capital	3	1,244.30	1,244.30
(b) Reserves & Surplus	4	4,904.52	4,849.44
(2) Share Application money pending Allotment			
(3) Non-current Liabilities			
(a) Long-term borrowings	5	88.75	88.75
(b) Other Long Term Borrowing		-	-
(c) Long Term Provisions		-	-
(d) Deferred tax liabilities (net)	31	597.22	561.75
(4) Current Liabilities			
(a) Short-term borrowings	6	2,628.91	2,219.04
(b) Trade Payables	7	1,714.63	2,171.69
(c) Other Current Liabilities	8	138.30	55.02
(d) Short-term Provisions	9	69.50	153.12
TOTAL		11,386.13	11,343.10
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets	10		
(1) Tangible Assets		3,967.13	3,486.13
(2) Intangible Assets		-	-
(3) Capital Work In Progress		-	-
(b) Non-Current Investment		-	-
(c) Long-Term Loan and Advances	11	152.58	158.50
(d) Other non-current assets	12	95.67	143.51
(2) Current Assets			
(a) Current Investments	13	0.51	0.51
(b) Inventories	14	4,065.85	3,806.42
(c) Trade Receivables	15	1,942.72	2,496.45
(d) Cash and Cash Equivalents	16	145.09	131.04
(e) Short term loans and Advances	17	1,016.58	1,120.56
(f) Other current assets			
TOTAL		11,386.13	11,343.10
see accompanying notes to the financial statements	1 & 2		

As per our report of even date
For R K Chaudhary & Associates
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

R K Chaudhary
Proprietor
M No : 35487

Yuvraj Malhotra
Chairman & Managing Director
DIN No 00225156

Navraj Malhotra
Whole Time Director
DIN 00225183

Place: Mumbai
Date: 26-5-2015

HILTON METAL FORGING LIMITED			
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015			
(Amount Rs. In lacs)			
Particulars	Note No.	For the year ended 31 March, 2015	For the year ended 31 March, 2014
I. Revenue from operations	18	9,204.66	12,999.30
II. Other Income	19	22.12	13.01
III. Total Revenue (I + II)		9,226.78	13,012.31
IV. Expenses			
Cost of Material Consumed	20a	5,801.30	6,653.36
Purchase of Stock-in trade	20b	281.88	3,081.12
Change in inventories of finished goods, work-in progress	21	(132.85)	(226.83)
Employees Benefit Expenses	22	658.33	585.90
Finance Costs	23	236.39	213.82
Depreciation and Amortization Expenses		204.83	205.45
Other Expenses	24	2,016.86	2,077.92
Total Expenses		9,066.73	12,590.74
V. Profit before exceptional and extraordinary items and tax (III - IV)		160.05	421.58
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V-VI)		160.05	421.58
VIII. Extraordinary Items		-	-
IX. Profit Before Tax (VII-VIII)		160.05	421.58
X. Tax Expenses			
(1) Current Tax		32.02	80.33
(2) Deferred Tax		35.47	37.23
XI. Profit (Loss) for the period from continuing operations (VII-VIII)		92.56	304.02
XII. Profit/(Loss) from Discontinuing Operations		-	-
XIII. Tax Expenses from Discontinuing Operations		-	-
XIV. Profit/(Loss) from Discontinuing expenses (after tax (XII-XIII))		-	-
XV. Profit/(Loss) for the period (XI+XIV)		92.56	304.02
XVI. Earning per equity share:			
(1) Basic		0.74	2.44
(2) Diluted		0.74	2.44
See accompanying notes to the financial statements			

As per our report of even date
For R K Chaudhary & Associates
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

R K Chaudhary
Proprietor
M No : 35487

Yuvraj Malhotra
Chairman & Managing Director
DIN No 00225156

Navraj Malhotra
Whole Time Director
DIN 00225183

Place: Mumbai
Date: 26-5-2015

HILTON METAL FORGING LIMITED				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015				
Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		160.05		421.58
<u>Adjustments for:</u>				
Depreciation and amortization		252.67		253.29
Finance costs		236.39		213.82
Interest income		22.07		12.96
Dividend income		0.05		0.05
		626.99		875.67
Operating profit / (loss) before working capital changes		-		-
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(259.43)		(360.06)	
Trade receivables	436.21		(415.87)	
Short-term loans and advances	103.98		154.49	
Long-term loans and advances	5.92		5.41	
Other current assets	47.84			
Other non-current assets		334.52		(616.03)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(457.06)		-524.31	
Other current liabilities	(0.34)		38.40	
Other long-term liabilities				
Short-term provisions			6.15	
Long-term provisions				
		(457.40)		(479.76)
Cash flow from extraordinary items				
Cash generated from operations		504.10		(220.12)
Net income tax (paid) / refunds				
Net cash flow from / (used in) operating activities (A)		504.10		(220.12)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances		(685.66)		(44.98)
Interest received				
- Others		22.07		12.96
Dividend received		0.05		
- Others				0.05
Net cash flow from / (used in) investing activities (B)		(663.54)		(31.97)

HILTON METAL FORGING LIMITED				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015				
Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	₹	₹	₹	₹
C. Cash flow from financing activities				
Net increase / (decrease) in working capital borrowings		409.87		415.21
Finance cost		(236.39)		(213.82)
Dividends paid				
Tax on dividend				
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		173.49		201.39
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		14.05		(50.70)
Cash and cash equivalents at the beginning of the year		131.04		181.74
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
Cash and cash equivalents at the end of the year		145.09		131.04
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 19)		145.09		131.04
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)				
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 19				
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 16 Current investments)				
Cash and cash equivalents at the end of the year *		145.09		131.04
* Comprises:				
(a) Cash on hand		18.38		13.95
(b) Cheques, drafts on hand				
(c) Balances with banks				
(i) In current accounts		0.69		28.35
(ii) In EEFC accounts		5.13		6.42
(iii) In deposit accounts with original maturity of less than 3 months		116.82		79.25
(iv) In earmarked accounts (give details) (Refer Note (ii) below)				
(d) Others (specify nature)		4.07		3.08
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)				
		145.09		131.04
Notes:				
(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing & discounting operations.				
(ii) These earmarked account balances with banks can be utilized only for the specific identified purposes.				
See accompanying notes forming part of the financial statements				

As per our report of even date

For and on behalf of the Board of Directors

For R K Chaudhary & Associates
CHARTERED ACCOUNTANTS

R K Chaudhary
Proprietor
M No : 35487

Yuvraj Malhotra
Chairman & Managing Director
DIN No 00225156

Navraj Malhotra
Whole Time Director
DIN 00225183

Place: Mumbai
Date: 26-5-2015

Hilton Metal Forging Limited
Notes forming part of the financial statements

Note	Particulars
1	<p>Corporate information</p> <p>Hilton Metal Forging Limited established in 2005 is a manufacturer of iron and steel forging, recognised export house, presently catering to the needs of Oil and Gas, Refineries and pharmaceutical industries. The company has its plant at Village Ghonsai, Taluka Wada, Dist Thane and Corporate office at 701 Palm Spring, Link Road, Malad West, Mumbai 400064, Maharashtra.</p>
2	<p>Significant accounting policies</p> <p>The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis except those having significant uncertainties.</p>
2.1	<p>Basis of accounting and preparation of financial statements</p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
2.2	<p>Use of estimates</p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
2.3	<p>Inventories</p> <p>Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.</p>
2.4	<p>Cash and cash equivalents (for purposes of Cash Flow Statement)</p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
2.5	<p>Cash flow statement</p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
2.6	<p>Depreciation and amortisation</p> <p>Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under:</p> <p>Vehicles - 4 years</p> <p>Computers and data processing equipments - 4 years</p> <p>Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalisation</p> <p>The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.</p>

Hilton Metal Forging Limited
Notes forming part of the financial statements

Note	Particulars
2.7	<p>Revenue recognition</p> <p>Sale of goods</p> <p>Revenues / Income and Cost /Expenditure are generally accounted on accrual basis as they are earned or incurred. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.</p>
2.8	<p>Other income</p> <p>Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.</p>
2.9	<p>Tangible fixed assets</p> <p>Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p> <p>The Company till date has not revalued its assets.</p> <p>Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value, if any, and are disclosed separately in the Balance Sheet.</p> <p>Capital work-in-progress:</p> <p>Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.</p>
2.11	<p>Foreign currency transactions and translations</p> <p>Initial recognition</p> <p>Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.</p> <p>Measurement of foreign currency monetary items at the Balance Sheet date</p> <p>Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.</p> <p>In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.</p> <p>Treatment of exchange differences</p> <p>Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.</p> <p>The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.</p> <p>Accounting of forward contracts</p> <p>Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Refer Notes 2.23 for accounting for forward exchange contracts relating to firm commitments and highly probable forecast transactions.</p>

Hilton Metal Forging Limited
Notes forming part of the financial statements

Note	Particulars
2.12	<p>Government grants, subsidies and export incentives</p> <p>Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.</p>
2.13	<p>Investments</p> <p>Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.</p>
2.14	<p>Employee benefits</p> <p>Employee benefits include provident fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.</p> <p>Defined contribution plans</p> <p>The Company's contribution to provident fund is considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p>Defined benefit plans</p> <p>Retirement Benefits to the employees will be accounted in the year of actual payment. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. these benefits includes performance incentives and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. the cost of such compensated absences is accounted as under:</p> <p>Short-term employee benefits</p> <p>The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :</p> <p>(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and</p> <p>(b) in case of non-accumulating compensated absences, when the absences occur.</p> <p>Long-term employee benefits</p> <p>Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.</p>
2.15	<p>Borrowing costs</p> <p>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p>

Hilton Metal Forging Limited
Notes forming part of the financial statements

Note	Particulars
2.16	<p>Segment reporting</p> <p>The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.</p> <p>The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.</p> <p>The Company is mainly engaged in Manufacturing of Steel Forgings and Flanges and Forged Fittings for oil & gas industry, Petrochemicals and refineries, which in the context of Accounting standard (AS) 17 "Segment Reporting" is considered to be the only business segment</p>
2.17	<p>Earnings per share</p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.</p>
2.18	<p>Taxes on income</p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p> <p>Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p>
2.19	<p>Research and development expenses</p> <p>Revenue Expenditure, including overheads on Research and Development is charged out as expenditure through the natural heads of the expenses in the year in which incurred.</p>

Hilton Metal Forging Limited
Notes forming part of the financial statements

Note	Particulars
2.20	Joint venture operations The company doesn't have any joint venture.
2.21	Impairment of assets The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.
2.22	Provisions and contingencies A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.
2.23	Derivative contracts The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.
2.24	Share issues expenses Share issue expenses and pe-operative exepnses are written off and charged to profit and loss account The balance to the extent not written off is carried as an asset and is amortised over a period of 10 years
2.25	Insurance claims Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.
2.26	Service tax input credit Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

**HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT**

	As at 31-3-2015		As at 31-3-2014	
	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
NOTE 3 : SHARE CAPITAL				
AUTHORISED				
Equity shares of Rs 10 each with voting rights	15000000	1500.00	15000000	1500.00
ISSUED				
Equity shares of Rs 10 each with voting rights	12443016	1244.30	12443016	1244.30
SUBSCRIBED AND FULLY PAID UP				
Equity shares of Rs 10 each with voting rights	12443016	<u>1244.30</u>	12443016	<u>1244.30</u>
		<u>1244.30</u>		<u>1244.30</u>

Presently the company has issued only equity shares with voting rights which are fully sub-scribed

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Year Ended March 2015	12443016	1244.30	12443016	1244.30
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during the period under reporting no fresh issues on account of fresh issues, bonus, ESOP, conversion of buyback has taken place.

Details of rights, preference and restricting to each class of shares

there is no holding or subsidiary company and voting rights are not restricted .

Details of Share held by each Share Holder holding more than 5% shares

	As at 31-3-2015		As at 31-3-2014	
	Number of Shares	% holding in that class of shares	Number of Shares	% holding in that class of shares
Equity Share with Voting Rights				
Yuvraj Hiralal Malhotra	5575934	44.81%	5570114	44.43%
Diskha Malhotra	672812	5.41%	672812	5.41%

Details of shares reserved for issue under options that arise under promoter or collaboration agreement, loan agreement, contract for supply of capital goods etc, if any. None

NOTE 4 : RESERVES AND SURPLUS

	As at 31-3-2015	As at 31-3-2014
(A) Securities Premium Account		
Opening Balance	3361.81	3361.81
Add Premium on Shares issued during the year	0.00	0.00
Closing Balance	<u>3361.81</u>	<u>3361.81</u>
(B) General Reserves		
Opening Balance	525.00	455.00
Add : Transferred from surplus statement of Profit and Loss	35.00	70.00
Closing Balance	<u>560.00</u>	<u>525.00</u>
(c) Surplus /(deficit) in statement of Profit and Loss		
Opening Balance	962.63	801.41
Add Profit/(Loss) for the year	92.56	304.02
Less : Depreciation revised working difference		
Less : Interim Dividend		
Dividend Proposed to be distributed to equity Share holders	31.11	62.22
Tax on Dividend Distribution	6.37	10.58
Transferred to General Reserve	35.00	70.00
Closing Balance	<u>982.71</u>	<u>962.63</u>
Total	<u>4904.52</u>	<u>4849.44</u>

HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount Rs. In lacs)

NOTE 5 : LONG TERM BORROWINGS

	As at 31-3-2015	As at 31-3-2014
(a) Deferred Payment Liabilities		
Sales Tax - MVAT Liability	88.75	88.75
	<u>88.75</u>	<u>88.75</u>

Terms of repayment for the long term borrowings and security provided in respect of Sales Tax - MVAT Liability - Deferred is to be repaid in 5 yearly installments starting from 11th Year of the date of its deferment.

NOTE 6 : SHORT TERM BORROWINGS

(a) Loans payable on Demands(Refer Point 1)

From Banks _ Secured

(i) Packing Credit Advance	1586.57	1757.61
(ii) Bills Negotiation	22.34	31.67
(iii) Cash Credit	985.00	420.54
(iv) Term Loan	35.00	0.00
(v) Vehicle Loan	0.00	9.21
	<u>2628.91</u>	<u>2219.03</u>

(1) Details of security for secured short term Finance

Loans repayable on demand from

State Bank of Hyderabad - Overseas Br Colaba

(i) Packing Credit Advance	1051.49	1044.30
(ii) Bills Negotiation	22.34	31.67
(iii) Cash Credit	809.77	238.55

State bank of India _ Empire House Fort Br

(i) Packing Credit Advance	535.08	713.31
(ii) Cash Credit	175.23	182.00

(Secured By hypothecation of Stocks and book debts, both present and future and also guaranteed by Managing Director

State Bank of Hyderabad - Overseas Br Colaba

medium Term Loan 35.00 0.00

Axis Bank Limited

Vehicle Loan 0.00 9.21

Details of the default in repayment of loan and interest in respect of the above loans

None

NOTE 7 : Trade Payable

(a) Trade payable

(1) Raw Material	1081.35	1391.03
(2) For Expenses	591.79	495.82
(3) Others	41.49	284.85
	<u>1714.63</u>	<u>2171.69</u>

NOTE 8 : Other Current Liabilities

(1) Income Received in advance	89.17	21.62
(2) Other Current Liabilities	39.90	27.10
(3) Statutory Dues	9.23	6.30
	<u>138.30</u>	<u>55.02</u>

NOTE 9 : Short Term Provisions

(a) Provisions for Employees benefits	-	-
(b) Provisions for Others		
Provisions for Tax (MAT)	32.02	80.33
Provisions for proposed Dividend & Tax There on	37.48	72.79
	<u>69.50</u>	<u>153.12</u>

Particulars	GROSS BLOCK				DEPRECIATION		NET BLOCK			
	4/1/2014	Additions 1st half	Additions 2nd half	reduction during the year	3/31/2015	up to 1-4-2014	For the Year	as on 31-3-2015	as on 31-3-2015	3/31/2014
A. TANGIBLE ASSETS										
Land (See Note No XVI-B/3)	13759150	0	0	0	13759150	0	0	0	13759150	13759150
Building and Shed	68429170	0	0	0	68429170	13925609	2285534	16211143	52218027	54503561
Staff Quarters	10645940	0	0	0	10645940	1933617	355574	2289191	8356749	8712323
Plant and Machinery	343679284		781000	250000	344210284	97675879	16343611	114019490	230190794	246003405
Office Equipments	3444417	28444	46000	55539	3463322	531231	150036	664559	2798763	2913186
Designs & Drawings	67990	0	0	0	67990	9063	3230	12293	55697	58927
Office Premises	8897607	0	0	0	8897607	0	0	1	8897606	8897606
Electrical Installation	8805986	0	0	0	8805986	2739345	418284	3157629	5648357	6066641
Computer System	3139113	0	0	0	3139113	1616660	233019	1849679	1289434	1522453
Furniture & Fixtures	7595629	0	0	0	7595629	3119061	480803	3599864	3995765	4476568
Vehicles	2242727	0	0	0	2242727	543753	213059	756812	1485915	1698974
Total	470707014	28444	827000	305539	471256919	122094219	20483150	142560661	328696257	348612794
WIP Machinery		0	65739359	0	65739359	0	0	0	65739359	0
WIP Building		0	2277500	0	2277500	0	0	0	2277500	0
Total Assets	470707014	28444	68843859	305539	539273778	122094219	20483150	142560661	396713116	348612794

**HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT**

(Amount Rs. In lacs)

As at 31-3-2015 As at 31-3-2014

NOTE 11 : Long Term Loans and Advances

(a) Capital Advance	-	5.15
(B) Security Deposit	27.58	28.36
(i) Other Loans and Advances	125.00	125.00
	<u>152.58</u>	<u>158.50</u>

NOTE 12 : Other non-current assets

Unamortized Expenses

(i) Public Issue and Pre - Operative Expenses	95.67	143.51
	<u>95.67</u>	<u>143.51</u>

NOTE 13 : Current Investments

Equity Shares of Saraswat Co Op Bank Ltd

(unquoted - Membership shares)

	0.51	0.51
	<u>0.51</u>	<u>0.51</u>

NOTE 14 : Inventories

(a) Raw material	805.60	780.10
(b) Semi Finished Goods	1547.45	1220.03
(c) Cut Billets	498.26	750.86
(d) Finished Goods	251.22	167.98
(e) Stores & Spares and Consumables	72.45	71.36
(f) Dies and Tools at Cost	883.69	782.61
(g) Scrap	7.18	33.48
	<u>4065.85</u>	<u>3806.42</u>

NOTE 15 : Trade Receivable

Trade Receivable

(Unsecured considered good)

Trade Receivable Outstanding for a period exceeding six months

Other Trade Receivable

un-Secured Considered Good

	1005.42	430.96
	937.31	2065.49
	<u>1942.72</u>	<u>2496.45</u>

NOTE 16 : Cash and Cash Equivalent

(a) Cash on Hand	18.38	13.95
(b) Cheques Drafts on Hand	0.00	0.00
(c) Balance with Banks		
in Current Accounts	0.69	28.35
in EEFC accounts	5.13	6.42
in Deposit Accounts (Margin Money)	116.82	79.25
in earmarked Accounts		
un paid dividend account	4.07	3.08
	<u>145.09</u>	<u>131.04</u>

**HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT**

(Amount Rs. In lacs)

As at 31-3-2015 As at 31-3-2014

NOTE 17 : Short Term Loans and Advance

(a) Loans and Advances to Employee	5.70	0.97
(b) Pre Paid Expenses	15.28	36.35
(c) Advance Income Tax	72.22	88.51
(d) MAT Credit Entitlement	58.00	75.56
(e) Balance with Government Authorities	657.83	661.45
(f) Other Loans and Advances	207.55	257.72
	<u>1,016.58</u>	<u>1,120.56</u>

NOTE 18 : Revenue from Operations

Sales of Products (net of Returns, rebates etc)	6766.05	7700.98
Sales thru Trading Activity	287.40	3152.39
Sales of Services (Refer Note ii Below)	123.32	211.33
Other Operating Revenues (Refer Note III Below)	2027.90	1934.60
	<u>9204.66</u>	<u>12999.30</u>

Sales of Product Comprises:

Manufactured Goods		
Seamless Stub Ends	4.60	994.16
S S Flanges	3758.27	5143.23
S S Forging	2943.77	1295.71
C S Forgings	59.41	241.03
Others	0.00	39.19
Total - Sales thru Manufacturing Activity	<u>6766.05</u>	<u>7713.32</u>

Traded goods

Sales thru Trading Activity	287.40	3152.39
Total - Sales thru Trading Activity	<u>287.40</u>	<u>3152.39</u>

Total - Sales of products	<u>7053.45</u>	<u>10865.71</u>
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Sales of services comprises

Labour Charges	123.32	211.33
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Other Operational Revenue comprises

Sales of scrap	1769.66	1739.14
Export Incentives	258.24	195.46
	<u>2027.90</u>	<u>1934.60</u>

NOTE 19 : Other Income

Interest Income (from Banks on Deposits)	22.07	12.96
Dividend Received	0.05	0.05
	<u>22.12</u>	<u>13.01</u>

**HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT**

(Amount Rs. In lacs)

	As at 31-3-2015	As at 31-3-2014
NOTE 20.a : Cost of Material Consumed		
Opening Stock	780.10	582.39
Add: Cost of Purchase	5936.99	7008.34
	<u>6717.09</u>	<u>7590.73</u>
Less: Sales	110.19	157.27
	<u>6606.90</u>	<u>7433.46</u>
Less: Closing stock	805.60	780.10
	<u>5801.30</u>	<u>6653.36</u>
Raw Material Consumed comprises		
Grade 304 L and equivalent	2425.64	2108.30
Grade 316 L and Equivalent	3250.71	4234.39
Grade A 105 and equivalent	16.41	89.50
Others	108.54	221.17
	<u>5801.30</u>	<u>6653.36</u>
NOTE 20.b : Purchase of Traded goods		
Various Items	281.88	3081.12
	<u>281.88</u>	<u>3081.12</u>
NOTE 21 : Change in Inventories		
Work-in-progress and stock in trade		
Closing Stock		
Semi finished Goods	1547.45	1220.03
Cut Billets	498.26	750.86
Finished Goods	251.22	167.98
scrap	7.18	33.48
Stores& Fuel	72.45	71.36
	<u>2376.56</u>	<u>2243.71</u>
Less: Opening Stock		
Semi finished Goods	1220.03	1301.13
Cut Billets	750.86	338.41
Finished Goods	167.98	254.74
Scrap	33.48	53.86
Stores& Fuel	71.36	68.74
	<u>2243.71</u>	<u>2016.88</u>
Net (Increase)/Decrease	<u>(132.85)</u>	<u>(226.83)</u>
NOTE 22 : Employees benefits Expenses		
Employees Benefit Expenses		
Salary, Wages & Bonus	543.89	494.87
Remuneration to Directors	84.00	55.50
Contribution to Provident Fund	8.43	5.57
Gratuity	0.00	1.13
Welfare Expenses	22.01	28.83
	<u>658.33</u>	<u>585.90</u>
NOTE 23 : Finance Costs		
Interest Expenses on		
1. Borrowings	196.92	212.65
2. Trade payable	39.47	1.17
	<u>236.39</u>	<u>213.82</u>

**HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT**

(Amount Rs. In lacs)

As at 31-3-2015 As at 31-3-2014

NOTE 24 : Other Expenses

Stores & Spares Consumed	230.39	262.59
Packing Material Consumed	88.36	82.35
Die consumed	78.26	109.12
Exchange Difference	3.92	39.94
Sub- contracting	164.35	54.95
Power & Fuel	633.95	803.68
Water Charges	6.78	7.54
Repairs & Maintenance _ Machines	90.41	85.20
Insurance Charges - plant	2.80	4.29
Rent, Rates & Taxes	11.37	11.42
Communication	14.49	9.50
Traveling & Conveyance	81.31	67.31
Printing and Stationery	2.30	2.80
Freight & Forwarding Charges	247.28	232.82
Advertisement & Sales Promotions	53.80	37.15
Legal & Professional Charges	37.64	37.77
Auditors Remuneration	4.21	4.21
General expenses	265.26	225.28
	2016.86	2077.92

NOTE : 25 Auditors Remunerations

(i) Payment to the auditors comprises (net of service tax credit where applicable)

As auditors - statutory audit	3.09	3.09
for Taxation matters	0.84	0.84
For company Law Matters	0.17	0.17
for Other services	0.11	0.11
Total Rs.	4.21	4.21

Additional Information to financial Statement:

NOTE 26 :Contingent Liabilities and commitments (to the extent not provided for)

(i) **Contingent Liability**

The claim of alleged electricity theft by MSEDCL	0	409.86
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the matter was challenged in MSED Court Thane. The Hon'ble court expressed that MSEDCL neither could establish the nexus nor could prove the theft with figure n fact. There being no reliable and cogent evidence of illegal abstraction of electricity as such guilt can not be fasten.

**HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT**

(Amount Rs. In lacs)

(ii) **Commitments**

Discloser required under Section 22 of the Micro, Small and Medium enterprises Development Act

None

(dues to Micro and Small Enterprises could not be determined for wants of sufficient information to the extent such parties can be categorized /identified of its stature.

Disclosure as per Clause 32 of the Listing Agreement with Stock Exchanges:

Loans and advances in nature of loans given to subsidiaries, associates and others and investment in shares of the company by such parties:

NIL

Others:

Due to labour problem during the last quarter, the production as well as the dispatches were affected.

As at 31-3-2015 As at 31-3-2014

NOTE 27 :Earnings and Expenditure in foreign currency

Export of goods calculated on FOB Basis	6382.68	7408.87
Expenditure in Foreign Currency		
Other Matters	101.32	74.14
Amounts remitted in foreign currency during the year on account of Dividend		
Amount remitted in foreign currency	37500	37500
Total Number of share holders	1	1
Total Number of shares held by them on which dividend was due	150000	150000
Year to which the dividend relates	2013-14	2012-13

Note : 28 Segment Information

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The Company is mainly engaged in Manufacturing of Steel Forgings and Flanges and Forged Fittings for oil & gas industry, Petrochemicals and refineries, which in the context of Accounting standard (AS) 17 "Segment Reporting" is considered to be the only business segment

NOTE : 29 Related party Transactions

Key Management Personnel

Mr Yuvraj Malhotra
Mr Navraj Malhotra

Relatives to KMP

Mrs Diksha Malhotra
Miss Yashika Malhotra

Remuneration to KMP

As at 31-3-2015 As at 31-3-2014

Yuvraj Malhotra	60.00	30.00
Navraj Malhotra	24.00	9.00
Salary to Relative of KMP		
Mrs Diksha Malhotra	30.00	9.00
Miss Yashika Malhotra	1.80	3.00

**HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT**

As at 31-3-2015 As at 31-3-2014

Note : 30 Earning per Share

Basic

Continuing Operations

Net profit/(loss) for the year from continuing operations	92.56	318.93
Less preference Dividend and Tax thereon	0.00	0.00
Net profit/(loss) for the year from continuing operations attributable to the Equity Share Holders	92.56	318.93
Weighted average number of equity shares for basic EPS	12443016	12443016
Weighted average number of equity shares for DilutedEPS	12443016	12443016
par value per shares		
Earning per shares from continuing operations	0.74	2.56

Note : 31 Deferred Tax Liability

Tax effect of items constituting deferred tax liability

on difference between book balance and tax balance of fixed assets	10537762	11060607
Tax effect of items constituting deferred tax liability	3547011	3723000
Net Deferred Tax (Liability) / assets	35.47	37.23
Balance Brought forward	561.75	524.52
Net deferred Tax Liability	597.22	561.75

As per our report of even date

For R K Chaudhary & Associates
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

R K Chaudhary
Proprietor
M No : 35487

Yuvraj Malhotra
Chairman & Managing Director
DIN No 00225156

Navraj Malhotra
Whole Time Director
DIN 00225183

Place: Mumbai
Date: 26-5-2015

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HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

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

Email: secretarial@hiltonmetal.com; Phn No: 022-4042 6565

**ANNUAL GENERAL MEETING
ATTENDANCE SLIP**

(To be presented at the entrance)

DP ID No	Regd. Folio No	Client ID No	No. of shares held

Name: _____ Address: _____

Name of Proxy: _____ (To be filled in, if the Proxy attends instead of the member) I certify that I am a Member/Proxy for the member of the Company.

I hereby record my presence at TENTH ANNUAL GENERAL MEETING of the Hilton Metal Forging Limited, held on Wednesday, 30th day of September, 2015 at 04.00 p.m. at 701 Palm Spring, Link Road, Malad (West), Mumbai-400 064.

Member's/ Proxy's name in BLOCK Letters _____

Signature of Member/Proxy _____

NOTE:

- Member / Proxy holder wishing to attend the meeting must bring the Attendance Slip duly signed to the meeting and hand it over at the entrance.
- In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

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

Email: secretarial@hiltonmetal.com; Phn No: 022-4042 6565

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)	
Registered address	
E-mail ID	
Folio No / Client ID	
DP ID	

I / We, being the member(s) of _____ shares of the above named company, hereby appoint

1 _____ of _____ having e-mail id _____ or failing him

2 _____ of _____ having e-mail id _____ or failing him

3 _____ of _____ having e-mail id _____ or failing him as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on the 30th Day of September, 2015 at 4.00 p.m. at 701 Palm Spring, Link Road, Malad (West), Mumbai-400064 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Sr. No	Item No (Description)	Type of Resolution	No of Shares held by me	I assent to the resolution (For)	I dissent to the resolution (Against)
ORDINARY BUSINESS					
1	Receive, consider and adopt the audited Balance Sheet as at 31st March, 2015 and the profit & loss account for the year ended on that date along with the schedules thereon and the Reports of the Directors and Auditors thereon.	Ordinary			
2	Declaration of Dividend on Equity Shares	Ordinary			
3	Appoint a Director in place of Mr. Navraj H Malhotra who retires by rotation and is eligible for re-appointment.	Ordinary			
4	Ratification of appointment of M/s. R K Chaudhary & Associates, Chartered Accountants, Mumbai as Statutory Auditors and to fix their remuneration.	Ordinary			
SPECIAL BUSINESS					
5	Appointment of M/s. NNT & Co, Cost Accountants, Mumbai as Cost Auditors and to fix their remuneration.	Ordinary			
6	Appointment of Mrs. Diksha Malhotra as Executive Director of the Company for the period of three years	Special			
7	Re-appoint Mr. Yuvraj Malhotra as a Managing Director of the Company for the period of five years	Special			
8	Re-appoint Mr. Navraj Malhotra as a Whole Time Director of the Company for the period of five years	Special			

Signed this _____ day of _____ 2014

Signature of shareholder _____

Signature of Proxy holder(s) _____

(first proxy holder) (second proxy holder) (third proxy holder)**NOTES:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 701 Palm Spring, Link Road, Malad (West), Mumbai-400064 not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Statement setting out material facts concerning items of special business, please refer to the Notice convening the Tenth Annual General Meeting.

Affix Revenue Stamp of Rs. 1

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BALLOT FORM

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

Name of the Company: Hilton Metal Forging Limited

Registered Office: 701, Palm Spring, Link Road, Malad West, Mumbai- 400 064

CIN: L28900MH2005PLC154986

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

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

Sr. No	Item No (Description)	Type of Resolution	No of Shares held by me	I assent to the resolution (For)	I dissent to the resolution (Against)
	ORDINARY BUSINESS				
1	Receive, consider and adopt the audited Balance Sheet as at 31st March, 2015 and the profit & loss account for the year ended on that date along with the schedules thereon and the Reports of the Directors and Auditors thereon.	Ordinary			
2	Declaration of Dividend on Equity Shares	Ordinary			
3	Appoint a Director in place of Mr. Navraj H Malhotra who retires by rotation and is eligible for re-appointment.	Ordinary			
4	Ratification of appointment of M/s. R K Chaudhary & Associates, Chartered Accountants, Mumbai as Statutory Auditors and to fix their remuneration.	Ordinary			
	SPECIAL BUSINESS				
5	Appoint M/s. NNT & Co, Cost Accountants, Mumbai as Cost Auditors and to fix their remuneration.	Ordinary			
6	Appoint Mrs. Diksha Malhotra as Executive Director of the Company for the period of three years	Special			
7	Re-appoint Mr. Yuvraj Malhotra as a Managing Director of the Company for the period of five years	Special			
8	Re-appoint Mr. Navraj Malhotra as a Whole Time Director of the Company for the period of five years	Special			

Place :

Date :

Signature of the Member

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility, to enable them to send their assent or dissent by post.
2. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
3. For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.
4. The Scrutinizer will collate the votes downloaded from the e-voting system, votes received through post to declare the final result for each of the Resolutions forming part of the Notice of the AGM.

Process and manner for Members opting to vote by using the Ballot Form:

1. Please complete and sign the Ballot Form (no other form or photo copy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Haresh Sanghvi, Practicing Company Secretary, (Membership No. 2259), at the Registered Office of the Company in the enclosed self addressed prepaid envelope.
2. The Form should be signed by the Member as per the specimen signature registered with the Company/Depository Participant(s). In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. (Exercise of vote by Ballot is not permitted through proxy).
3. In case the shares are held by companies, financial institutions, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorization.
4. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided for assent/ dissent in the Ballot.
5. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on the cut off date i.e 22nd September, 2015 and as per the Register of Members of the Company.
6. Duly completed Ballot Form should reach the Scrutinizer not later than, 28th September, 2015. IST. Ballot Form received after 28th September, 2015 will be strictly treated as if the reply from the Members has not been received.
7. A Member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date and time specified in serial no. 6 above.
8. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
9. The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
10. The results along with Scrutinizer's Report, shall be placed on the Company's website [www. hiltonmetal.com](http://www.hiltonmetal.com) and on the website of the CDSL, immediately after the results are declared and also communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Form No. SH-13
Nomination Form

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

To,
Hilton Metal Forging Limited
701, Palm Spring, Link
Road, Malad (West),
Mumbai-400064.

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

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

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

(2) PARTICULARS OF NOMINEE/S —

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

(3) IN CASE NOMINEE IS A MINOR--

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

Name: _____

Address: _____

Name of the SecurityHolder(s): _____

Signature: _____

Witness with name and address: _____

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HILTON METAL FORGING LIMITED

CIN : L28900MH2005PLC154986

Registered Office : Regd. Office: 701, Palm Spring, Link Road, Malad (West) Mumbai-400064
Email: secretarial@hiltonmetal.com; Phn No: 022-4042 6565

E-mail Registration-Cum-Consent Form

To,

The Company Secretary,
701, Palm Spring, Link Road,
Malad (West) Mumbai-400064
Email: secretarial@hiltonmetal.com;
Phn No: 022-4042 6565

I/ we the members of the Company do hereby request you to kindly register/ update my e-mail address with the Company. I/ We, do hereby agree and authorize the Company to send me/ us all the communications in electronic mode at the e-mail address mentioned below. Please register the below mentioned e-mail address / mobile number for sending communication through e-mail/ mobile.

Folio No.	:	DP – ID	:	Client ID	:
Name of the Registered Holder (1 st)		:			
		:			
Name of the joint holder(s)		:			
		:			
Registered Address		:			
		:			
		Pin:			
Mobile Nos. (to be registered)		:			
E-mail Id (to be registered)		:			

Signature of the Shareholder(s)*

* Signature of all the shareholders is required in case of joint holding.



if undelivered please return to:

Corporate office:

HILTON METAL FORGING LTD.

701, Palm Spring, Palmcut Complex,
Link Road, Malad (West) Mumbai - 400 064.

Email: info@hiltonmetal.com Web: www.hiltonmetal.com