

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. Harmohindersingh Dhingra, Non Executive and Independent Director

Mr. Harmohindersingh 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