

# Anil Bansal & Associates

— CHARTERED ACCOUNTANTS —

## **Independent Auditor's Report on Annual Financial Results of Hilton Metal Forging Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **TO THE BOARD OF DIRECTORS OF HILTON METAL FORGING LIMITED**

#### **Report on the audit of the Annual Financial Results**

#### **Opinion**

We have audited the accompanying Annual Financial results of Hilton Metal Forging Limited (hereinafter referred to as the “Company”) for the year ended 31<sup>st</sup> March, 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Annual Financial Results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31<sup>st</sup> March, 2020.

#### **Basis for Opinion**

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

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## **Emphasis of Matter**

We draw your attention to note 5 to the financial results which explain the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to COVID-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

## **Management's and Board of Directors' Responsibilities for the Annual Financial Results**

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a

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guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.

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

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

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

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

## Other Matters

The Annual Financial Results include the results for the quarter ended 31<sup>st</sup> March, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

  
Anil Bansal  
Proprietor  
Membership No.: 043918  
UDIN: 20043918AAAABV9145  
Place: Mumbai  
Date: 30<sup>th</sup> June. 2020



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## HILTON METAL FORGING LIMITED

CIN NO L 28900 MH 2005 PLC 154986

Regd Office : 701 Palm Spring, Link Road, Malad West, Mumbai 400 064. Maharashtra, India.

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

Telephone : 022 4042 6565 Fax No 022 4042 6566

Audited Financial Results of Hilton Metal Forging Limited for the Quarter and Year ended 31st March, 2020						
all amount Rs in Lacs						
Particulars	Quarter Ended 31.03.20	Quarter Ended 31.12-2019	Quarter Ended 31.03-2019	Year Ended 31.03-2020	Year Ended 31.03-2019	
	Audited	Unaudited	Audited	Audited	Audited	Audited
1 a) Revenues from Operations	2691.63	2723.26	3188.91	10299.20	10046.85	
b) Other Income Net	10.98	7.73	57.82	22.19	86.52	
Total Income	2702.61	2730.99	3246.73	10321.39	10133.37	
2 Expenses						
a) Cost of Raw material and Component Consumed	2030.66	2133.01	2530.53	7340.79	6974.06	
b) Change in Inventory of Finished Goods, work-in-progress, dies and Scrap	62.55	-142.35	-38.22	-288.79	452.67	
c) Employee Benefit Expenses	136.28	184.39	189.86	695.08	725.27	
d) Finance Costs	63.29	119.56	87.80	340.66	335.89	
e) Depreciation and Amortisation expenses	62.24	56.16	99.18	258.82	256.51	
f) Other Expenses	367.48	304.83	315.07	1804.06	1240.69	
Total Expenses (a to f)	2722.50	2655.60	3184.22	10150.62	9985.09	
3 Profit before Exceptional Items and Tax ( 1 -	-19.89	75.39	62.51	170.77	148.28	
4 Exceptional items (Gain/(Loss))	0	0.00	0.00	0.00	0.00	
5 Profit Before Tax ( 3 - 4 )	-19.89	75.39	62.51	170.77	148.28	
6 Tax Expenses						
Current Tax	0.00	11.56	31.56	28.50	31.56	
Mat Entitlement	0.00	0.00	-31.56	-18.17	-31.56	
Deffered Tax	-4.53	-5.33	-6.77	5.45	-6.77	
Total Tax Expenses	-4.53	6.23	-6.77	15.78	-6.77	
Net Movment in regulatory deferral account balances related to Profit and Loss and related the related Tax deferral movement						
7						
8 Profit /(Loss) after tax	-24.42	69.16	69.28	154.99	155.05	
9 Profit / (-Loss) from discontinued operations	0	0	0	0	0.00	
10 Tax Expenses on discontinued operations	0	0	0	0	0.00	
11 Profit / (-Loss) from discontinued operations	0	0	0	0	0	
12 Profit (Loss) for the period ( 7 + 10 )	-24.42	69.16	69.28	154.99	155.05	



13	Other Comprehensive Income :					
	A - i) Items that will not be classified to Profit & Loss Account	0.00	-4.02	0.13	0.00	0.13
	- ii) Income tax related items that will not be reclassified to Profit and Loss account	0.00	0.00	0.00	0.00	0.00
	B - i) items that will be classified to Profit & Loss Account	0.00	0.00	0.00	0.00	0.00
	- ii) Income tax related items that will be reclassified to Profit and Loss account	0.00	0.00	0.00	0.00	0.00
14	Total Comprehensive Income for the period (11 + 12 ) (comprising Profit (Loss) and other comprehensive Income	0.00	-4.02	0.13	0.00	0.13
15	Total Profit (-Loss) attributable	-24.42	65.14	69.41	154.99	155.18
16	Details of Equity Share Capital					
	Paid Up Share Capital	1244.30	1244.30	1244.30	1244.30	1244.30
	Face Value of Equity Share Capital (Rs.)	10	10	10	10	10
17	Earning per Equity share					
	Basic earnings (loss) per share from Continuing and Discontinuing Operations	(0.20)	0.56	0.56	1.25	1.25
	Diluted earnings (loss) per share from Continuing and Discontinuing Operations	(0.20)	0.56	0.56	1.25	1.25
	Debt Equity Ratio					
	Debt Service Coverage Ratio					
	Interest Service Coverage Ratio					

Notes:

- 1 The above Results have been reviewed by the audit committee, and approved by the Board of Directors in their meeting held on 30-06-2020 and have been subjected to Audit Report by the Statutory Auditors.
- 2 Financial results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS), prescribed Under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.
- 3 The previous period figures have been regrouped/re-arranged wherever necessary to make them comparable with those of the Current period
- 4 The company manufactures "forging Components" Like flanges and Forged Fittings and management reviews the performance of the company as a single operating segment in accordance with Ind AS 108 "Operating Segments" notified pursuant to Companies (Accounting Standards) rule 2015, Accordingly no segment information / Segment has been furnished herewith.

*Handwritten signature*



5 The out break of COVID-19 across and Globe and India in Pwendamic. The Central Government has imposed national wide lock-down from 24th March 2020 to prevent the spread. The company had shutdown plant and office activities across its location impacting the business during the last quarter. the company had taken and shall continue to take various steps to protect its employee from pandemic. the company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of this financial statement, in determination of the recoverability and carrying value of property, plant and equipment, right of use assets, other intangible assets and in relation to other financial statement captions. the impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlined assumptions and estimates used to prepare company's financial statement, which may differ from that considered as at the date of approval of this financial statements. the company will continue to closely monitor material changes to future economic conditions. the company has resumed business activities as per the Central and State Governments Guidelines.

5 The results will be available on the Company's website: [www.hiltonmetal.com](http://www.hiltonmetal.com)

For HILTON METAL FORGING LTD.

*Walsh*  
DIRECTOR



<b>Statement of Asset and Liabilities</b>			
Particulars		Current year	Previous year
		ended (dd-mm-yyyy)	ended (dd-mm-yyyy)
Date of start of reporting period		01-04-2019	01-04-2018
Date of end of reporting period		31-03-2020	31-03-2019
Whether results are audited or unaudited		Unaudited	Audited
Nature of report standalone or consolidated		Standalone	Standalone
	<b>Assets</b>	<b>Amount (Rs in Lacs)</b>	
<b>1</b>	<b>Non-current assets</b>		
	Property, plant and equipment	3223.77	3520.49
	Capital work-in-progress	0.00	0.00
	Investment property	87.27	0.00
	Goodwill	0.00	0.00
	Other intangible assets	0.00	0.00
	Intangible assets under development	0.00	0.00
	Biological assets other than bearer plants	0.00	0.00
	Investments accounted for using equity method	0.00	0.00
	<b>Non-current financial assets</b>		
	Non-current investments	0.50	0.50
	Trade receivables, non-current	465.17	421.01
	Loans, non-current	26.99	27.67
	Other non-current financial assets		
	<b>Total non-current financial assets</b>	<b>3803.70</b>	<b>3969.67</b>
	Deferred tax assets (net)	0.00	0.00
	Other non-current assets	0.00	0.00
	<b>Total non-current assets</b>	<b>3803.70</b>	<b>3969.67</b>
<b>2</b>	<b>Current assets</b>		
	Inventories	6679.54	6453.01
	<b>Current financial asset</b>		
	Current investments	0.00	0.00
	Trade receivables, current	3350.87	1862.49
	Cash and cash equivalents	13.63	7.59
	Bank balance other than cash and cash equivalents	146.28	112.39
	Loans, current	12.72	16.47
	Other current financial assets	920.62	1039.75
	<b>Total current financial assets</b>	<b>4444.12</b>	<b>3038.69</b>
	Current tax assets (net)	0.00	0.00
	Other current assets	0.00	0.00
	<b>Total current assets</b>	<b>11123.66</b>	<b>9491.70</b>
3	Non-current assets classified as held for sale	0.00	0.00
4	Regulatory deferral account debit balances and related deferred tax Assets	0.00	0.00
	<b>Total assets</b>	<b>14927.36</b>	<b>13461.37</b>
	<b>Equity and liabilities</b>		
<b>1</b>	<b>Equity</b>		
	<b>Equity attributable to owners of parent</b>		
	Equity share capital	1244.30	1244.30
	Other equity	5024.35	4877.81
	<b>Total equity attributable to owners of parent</b>	<b>6268.65</b>	<b>6122.11</b>



	Non controlling interest	0.00	0.00
	<b>Total equity</b>	<b>6268.65</b>	<b>6122.11</b>
2	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	<b>Non-current financial liabilities</b>		
	Borrowings, non-current	993.06	1080.28
	Trade payables, non-current	0.00	0.00
	Other non-current financial liabilities	0.00	0.00
	<b>Total non-current financial liabilities</b>	<b>0.00</b>	<b>0.00</b>
	Provisions, non-current	78.63	70.85
	Deferred tax liabilities (net)	669.86	664.41
	Deferred government grants, Non-current	0.00	0.00
	Other non-current liabilities	0.00	0.00
	<b>Total non-current liabilities</b>	<b>1741.55</b>	<b>1815.54</b>
	<b>Current liabilities</b>		
	<b>Current financial liabilities</b>		
	Borrowings, current	3383.40	3070.89
	Trade payables, current	2442.30	1651.53
	Other current financial liabilities	115.13	127.81
	<b>Total current financial liabilities</b>	<b>5940.83</b>	<b>4850.23</b>
	Other current liabilities	933.13	635.64
	Provisions, current	14.68	6.30
	Current tax liabilities (Net)	28.52	31.55
	Deferred government grants, Current	0.00	0.00
	<b>Total current liabilities</b>	<b>976.33</b>	<b>673.49</b>
3	Liabilities directly associated with assets in disposal group classified as held for sale	0.00	0.00
4	Regulatory deferral account credit balances and related deferred tax liability	0.00	0.00
	<b>Total liabilities</b>	<b>6917.16</b>	<b>5523.72</b>
	<b>Total equity and liabilities</b>	<b>14927.36</b>	<b>13461.37</b>

Place : Mumbai  
Date : 30-06-2020



For Hilton Metal Forging Limited

*[Signature]*  
Chairman and Managing Director

## HILTON METAL FORGING LIMITED

Statement of Cash Flows for the year ended 31 March, 2020

Particulars	Year ended 31 March, 2020 (Rs. In Lacs)	Year ended 31 March, 2019 (Rs. In Lacs)
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before tax	170.77	148.27
Adjustments for:		
Depreciation and amortization	258.82	256.51
Finance costs	340.66	335.89
Interest / Rent Income income	(22.08)	(44.38)
Dividend income	(0.04)	(0.04)
Employee benefit expenses	-	-
Public issue and pre-operative expenses written off	-	-
Operating profit / (loss) before working capital changes	748.13	696.25
Adjustments for working capital changes:		
Decrease/(increase) in inventories	(226.53)	255.04
Decrease/(increase) in trade receivables	(1,540.06)	892.93
Decrease/(increase in) in loans and other current assets	79.40	(604.69)
Increase/(decrease) in short term borrowings	312.53	521.18
Increase/(decrease) in trade payables	790.77	(2184.52)
Increase/(decrease) in loans, other financial assets & other assets	216.94	568.38
Increase/(decrease) in other financial liabilities and other liabilities	(6.13)	31.93
Increase/(decrease) in provisions	5.32	6.23
<b>Cash generated from operations</b>	<b>380.37</b>	<b>182.73</b>
Income tax paid	-	-
<b>Net cash flow from / (used in) operating activities</b>	<b>380.37</b>	<b>182.73</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(13.26)	(23.70)
Interest received	22.08	45.34
Dividend received	0.04	0.04
<b>Net cash flow from / (used in) investing activities</b>	<b>8.86</b>	<b>21.68</b>
<b>C. Cash flow from financing activities</b>		
Loan Taken from bank and other institutes	50.00	135.00
Loan Repay to Indusind Bank	(58.64)	(19.56)
Finance cost	(340.66)	(335.89)
<b>Net cash flow from / (used in) financing activities</b>	<b>(349.31)</b>	<b>(220.45)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>39.93</b>	<b>(16.04)</b>
Cash and cash equivalents at the beginning of the year	119.99	136.02
<b>Cash and cash equivalents at the end of the year</b>	<b>159.91</b>	<b>119.99</b>
<b>Components of Cash and cash equivalents with the Balance Sheet:</b>		
(a) Cash on hand	13.29	6.67
(b) Balances with banks		
(i) In current accounts	0.34	0.92
(ii) In EEFC accounts	1.97	0.06
(iii) In deposit accounts with original maturity of less than 3 months		
(iv) In earmarked accounts		
(d) Others (specify nature)		



(i) Margin Money with Bank	142.57	110.17
(ii) Unpaid Dividend	1.74	2.16
	<b>159.91</b>	<b>119.99</b>

Notes:

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

For HILTON METAL FORGING LTD.

  
DIRECTOR