



STERLING TOOLS LIMITED

CIN No.: L29222DL1979PLC009668

Regd. Office : K-40, Connaught Circus, New Delhi-110001

Corporate Office : Plot No. 4, D L F Industrial Estate, Faridabad-121003

E-mail : sterling@stlfasteners.com, Website : www.stlfasteners.com

Tel : 91 129 2270621-25 / Fax : 91 129 2277359

Notice for the Annual General Meeting

Notice is hereby given that Thirty Eighth Annual General Meeting of the Members of **Sterling Tools Limited** will be held at **The Little Theatre Group (LTG) Auditorium**, Copernicus Marg, New Delhi-110001 on Thursday, 28th September, 2017 at 11:00 A.M. to transact the following business(s):

Ordinary Business

1. Adoption of Accounts

To receive, consider and adopt the Standalone & Consolidated Financial Statements containing the Balance Sheet as at 31st March 2017 and the Profit and Loss Account for the financial year ended on that date alongwith the Cash Flow statements, Notes & Schedules appended thereto together with the Directors' Report and Auditors' Report thereon and in this regard, 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 134 of the Companies Act, 2013, the Standalone & Consolidated Financial Statements containing the Balance Sheet as at 31st March 2017 and the Profit and Loss Account ended on that date alongwith the Cash Flow statements, Notes & Schedules appended thereto for the Financial Year ended 31st March 2017 together with the Directors' Report and Auditors' Report thereon be and are hereby received, considered and adopted."

2. Ratification of payment of Interim Dividend

To confirm & ratify the payment of Interim Dividend of 100% for the Financial Year 2016-2017 as Final Dividend for the said Financial Year and in this regard, 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 123 of the Companies Act, 2013, the payment of Interim Dividends declared & paid @50% each time by the Board of Directors in their meetings held on 8th August, 2016 and 11th February, 2017 total amounting to 100% be and is hereby confirmed & ratified as Final Dividend for Financial Year 2016-2017."

3. Reappointment of Retiring Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Anil Aggarwal (DIN 00027214) who retires by rotation, and being eligible, offers himself for re-appointment be and is hereby re-appointed as Director".

4. Appointment of Statutory Auditors of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution for the appointment and fixation of the remuneration for the Statutory Auditors for a period of five years as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Walker Chandiook & Co. LLP, Chartered Accountants (ICAI Regn. No. 001076N), be and are hereby appointed as the Statutory Auditor of the Company in place of the retiring Auditors M/s S. R. Dinodia & Co. LLP. the Chartered Accountants, (ICAI Regn. No. 01478N), to hold office for a term of five consecutive

financial years, from the conclusion of this Thirty Eighth Annual General Meeting of the Company till the conclusion of the Forty Third Annual General Meeting, subject to ratification of the appointment at every Annual General Meeting, on such remuneration plus service tax as applicable and reimbursement of out-of pocket expenses in connection with the audit as may be mutually agreed upon by the Board of Directors and the Auditors.”

Special Business

5. To ratify the remuneration of the Cost Auditors for the financial Year 2017-18:

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 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of the Cost Auditors viz. M/s GT & Co. appointed by the Board of Directors of the Company on the recommendations of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018, be and is hereby ratified as set out in the Statement annexed to the Notice convening this Meeting.

“**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. Re-appointment and payment of remuneration to Shri M. L. Aggarwal, Chairman of the Company:

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

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the Company be and is hereby accorded to the re-appointment of Shri M.L. Aggarwal (DIN:00027380) as Chairman of the Company, for a period of 3 (three) years with effect from 1st April, 2018 to 31st March, 2021, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as the Board may deem fit and as may be acceptable to Shri M.L. Aggarwal.

RESOLVED FURTHER THAT the Board 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.”

7. Re-appointment and payment of remuneration to Shri Anil Aggarwal, Managing Director of the Company:

To consider and, if thought fit, to pass the following resolution, with or without modification(s), as a **special resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the Company be and is hereby accorded to the re-appointment of Shri Anil Aggarwal (DIN:00027214) as Managing Director of the Company, for a period of 3 (three) years with effect from 1st April, 2018 to 31st March, 2021, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and

conditions of the said re-appointment and / or remuneration as the Board may deem fit and as may be acceptable to Shri Anil Aggarwal.

RESOLVED FURTHER THAT the Board 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.”

8. Re-appointment and payment of remuneration to Shri Atul Aggarwal, Whole Time Director of the Company:

To consider and, if thought fit, to pass the following resolution, with or without modification(s), as a **special resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the Company be and is hereby accorded to the re-appointment of Shri Atul Aggarwal (DIN:00125825) as Whole Time Director of the Company, for a period of 3 (three) years with effect from 1st April, 2018 to 31st March, 2021, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as the Board may deem fit and as may be acceptable to Shri Atul Aggarwal.

RESOLVED FURTHER THAT the Board 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.”

For Sterling Tools Limited

Date: 31st August, 2017

Place: Faridabad

**Registered Office:
K-40, Connaught Circus
New Delhi-110001**

**(Vaishali Singh)
Company Secretary
Membership No. A15108
House No. 466, Second Floor
Ashoka Enclave Part-III
Faridabad-121003**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. 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 A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Item No. 5 to Item No. 8 are annexed herewith.
3. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.
4. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per the register of members of the Company will be entitled to vote.

5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
6. For the convenience of the Members, attendance slip is enclosed elsewhere in the Annual Report. Members/Proxy Holders/Authorized Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue of the AGM. Proxy/Authorized Representatives of a member should state on the attendance slip as 'Proxy or Authorized Representative' as the case may be.
7. The Directors' Report, Auditors' Report and Audited Balance Sheet as at 31st March 2017 and the Profit and Loss Account for the financial year ended on that date are enclosed.
8. In terms of Article 89 of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Mr. Anil Aggarwal, Managing Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company commends his respective re-appointment. The relevant details as required by Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges of person seeking re-appointment as director under Item No. 3 are annexed herewith.
9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days between 10 A.M. to 2 P.M. and upto the date of the Meeting.
10. The Register of Members and Share Transfer Books of the Company will be closed from Friday, 15th September, 2017 to Thursday, 28th September, 2017 (both days inclusive) in connection with the ensuing Annual General Meeting.
11. The Company has designated an exclusive e-mail ID called csec@stfasteners.com for redressal of shareholders' / investors' complaints / grievances. In case you have any queries / complaints or grievances, then please write to us at the above e-mail address.
12. Members holding shares in electronic form may please note that the bank account details and 9 digit MICR code of their Bankers, as noted in the records of their depository, shall be used for the purpose of remittance of dividend through Electronic Clearing Service (ECS), or for printing on dividend warrants wherever applicable. Members are therefore requested to update their bank account particulars, change of address and other details with their respective Depository Participants for shares held in demat mode and to the Registrar and Share Transfer Agent for shares held in physical form.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the 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.
14. Pursuant to the provisions of Section 205A (5) and 205 (c) of the Companies Act, 1956, read with Section 125 of the Companies Act, 2013 followed by the issue of Investor Education & Protection Fund (Awareness and Protection of the Investors) Rules, any dividend transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to a fund called the Investor Education and Protection Fund (the fund) set up by the Central Government.

Accordingly, unpaid / unclaimed dividend for the Financial Year 2008-2009 & 2009-2010 Interim have already been transferred in said fund on 2nd November, 2016 & 24th April, 2017 respectively. No claim shall lie thereafter against the fund or the company in respect of such amounts transferred. Shareholders are therefore requested to verify their records and send claims, if any, for the relevant years from 2009-2010 onwards, before the respective amounts become due for transfer to the fund. The following are the details of the dividends declared by the Company and respective due dates for claiming by the shareholders:

Dividend Year	Date of declaration of dividend	Last Date for claim
2009-2010	30/08/2010	05/10/2017
2010-2011	06/07/2011	10/08/2018
2011-2012	06/07/2012	10/08/2019
2012-2013 Interim	18/02/2013	26/03/2020
2013-2014 Interim	22/01/2014	01/03/2021
2014-2015 Interim	11/08/2014	18/09/2021
2015-2016 Interim	04/08/2015	11/09/2022
2015-2016 Interim	08/02/2016	15/03/2023
2015-2016 Interim	14/03/2016	21/04/2023
2016-2017 Interim	08/08/2016	15/09/2023
2016-2017 Interim	11/02/2017	18/03/2024

Those members who have not so far claimed their dividend for the financial year 2009-2010, 2010-2011, 2011-2012, 2012-2013-Interim, 2013-2014-interim, 2014-2015-Interim, 2015-2016-Interim, 2015-2016-Interim, 2015-2016-Interim, 2016-2017-Interim and 2016-2017-Interim are requested to make their claims to the Company for obtaining duplicate dividend warrants.

Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more.

In accordance with the aforesaid provision of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has already initiated necessary action for transfer of all shares in respect of which dividend declared for the financial year 2009-10 or earlier financial years has not been paid or claimed by the members for 7 (seven) consecutive years or more. Members are advised to visit the web-link: <http://www.stlfasteners.com.com/Investors> to ascertain details of shares liable for transfer in the name of IEPF Authority.

15. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares in individual name are advised to avail of the nomination facility by filing Form No. 2BV in their own interest. Blank form can be had from MAS Services Limited on request. Members holding shares in dematerialized form may contact their respective DP's for registration of nomination.
16. Members holding physical shares in multiple folios in identical name are requested to send their share certificates to Company's Registrar and Share Transfer Agent- M/s MAS Services Limited for consolidation.
17. The Copies of the Annual Reports will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
18. In case of any query, Members are requested to send the same to the Company Secretary atleast 10 days before the date of the meeting so that information can be made available at the meeting.
19. Members are requested to note that no **GIFT** will be distributed at the meeting.
20. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
21. The entire Annual Report is also available at the Company's Website **www.stlfasteners.com/new/news.asp**.
22. As per Circular no. 18/2011 and Section 101(1) read with Rule 18 of the Companies(Management & Administration) Rules, 2014 on Green initiative, the Company will send Annual Report along with other documents through emails to all members, who have registered their email address with the depository and physical hard copies will be dispatched to others. In case any member desires to get hard copy of Annual Report, they can write to Company at registered office address or email at csec@stlfasteners.com.

23. In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the Rules), the Items of Business given in AGM Notice may be transacted through electronic voting system and the Company is providing remote e-voting facility to the members who are the members as on 21st September, 2017 (End of Day) being the "Cut off Date" fixed for the purpose, to exercise their right to vote at the 38th AGM by electronic means through the remote e-voting platform provided by National Securities Depository Limited (NSDL).
24. Keeping in view the requirements set out in the Act, the Audit Committee and Board of Directors of the Company have recommended appointment of Walker Chandiook & Co. LLP, Chartered Accountants (ICAI Registration No. 001076N) as Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 43rd Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company. The first year of Audit by the aforesaid Auditors will be of the financial statement of the Company for the financial year ending March 31, 2018. M/s Walker Chandiook & Co., LLP, Chartered Accountants have consented to and confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.
25. **The procedure and instructions for remote e-voting as given in the Notice of the 38th Annual General Meeting are again reproduced hereunder for easy reference:**
 - I. **In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):**
 - a. Open e-mail and open PDF file viz."STL REMOTE EVOTING.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>.
 - c. Click on Shareholder-Login.
 - d. Put user ID and password as initial password noted in step (i) above. Click Login.
 - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. Select "EVEN" of "STL LIMITED".
 - h. Now you are ready for remote e-voting as Cast Vote page opens.
 - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to goyalsify11@gmail.com with a copy marked to evoting@nsdl.co.in.
 - II. **In case of Members receiving Physical copy of Notice of 38th Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)**
 - a. Initial password is provided in the box overleaf.
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

- A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nSDL.com or call on toll free no.: 1800-222-990.
- B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- C. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- D. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2017.
- E. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2017, may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nSDL.com or contact NSDL at the following toll free no.: 1800-222-990.
- F. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- G. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- H. The Company has appointed Mr. A. K. Goyal, Practicing Company Secretary (FCS No.1565, C-7461) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- I. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- J. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- K. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.stfasteners.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the Bombay Stock Exchange and National Stock Exchange.
- 26. The remote e-voting period begins on Monday, 25th September, 2017 at 9:00 A.M. and ends on Wednesday, 27th September, 2017 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 cut-off date i.e. 21st September, 2017 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- 27. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 21st September, 2017.
- 28. For any further details in this regard, you may contact MAS Services Limited, RTA of the Company located at T-34, Okhla Industrial Area, Phase-II, New Delhi-110020 (011-26387281) or Sterling Tools Limited, Share Department, Plot No. 4, DLF Industrial Estate, Faridabad-121003 (0129-2270621) or NSDL (1800-222-990).
- 29. A member may participate in the AGM even after exercising his right to vote through remote e-voting, but shall not be allowed to vote again at the AGM.

30. The Facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their by remote e-voting shall be able to exercise their right at the meeting.
31. **Details of Director seeking appointment/reappointment in the Annual General Meeting scheduled on Thursday, 28th September, 2017 (Pursuant to Regulation 36(3) of the SEBI (LODR) regulations, 2015 and Secretarial Standards are as follows:**

Name of Director	Shri M. L. Aggarwal	Shri Anil Aggarwal	Shri Atul Aggarwal
Date of Birth	15/09/1930	07/05/1958	26/03/1964
Expertise in Specific Functional Areas	Production & Procurement	Production	Finance & Marketing
Qualification	B. Sc.	B. Com.	M.B.A
Board Membership of other Public Limited Companies as on 31st March, 2017	NIL	NIL	NIL
Chairman/member of the Committee of the Board of Directors as on 31st March, 2017	Nomination & Remuneration Committee – Member Share Transfer Committee – Chairman	Audit Committee – Member Share Transfer Committee – Member CSR Committee – Member	Stakeholders Relationship Committee – Member Share Transfer Committee – Member CSR Committee – Member
Chairman / member of the Committee of Directors of the other Companies in which he is a Director as on March 31, 2017. a. Audit Committee b. Stakeholders Relationship Committee c. Other Committees	NIL	NIL	NIL
Number of Shares held of Sterling Tools Limited	3855080	7840640	8648455
Experience	63 Yrs	41 Yrs	28 Yrs
Terms and Conditions of appointment / reappointment and details of remuneration sought to be paid	Basic Salary Rs. 90 Lacs p.a., Perquisite & Allowances Rs. 3 Lacs p.a., Commission 1% of profit., Other terms and conditions as approved by shareholders vide their special resolution dated 2nd September, 2014	Basic Salary Rs. 82.20 Lacs p.a., Perquisite & Allowances Rs. 3 Lacs p.a., Commission 1% of profit., Other terms and conditions as approved by shareholders vide their special resolution dated 2nd September, 2014	Basic Salary Rs. 78 Lacs p.a., Perquisite & Allowances Rs. 3 Lacs p.a., Commission 1% of profit., Other terms and conditions as approved by shareholders vide their special resolution dated 2nd September, 2014
Relationship with other Directors/members and other KMP	Father of Managing Director & Whole Time Director	Son of Chairman and Brother of Whole Time Director	Son of Chairman and Brother of Managing Director

For Sterling Tools Limited

Date: 31st August, 2017
Place: Faridabad

Registered Office:
K-40, Connaught Circus
New Delhi-110001

(Vaishali Singh)
Company Secretary
Membership No. A15108
House No. 466, Second Floor
Ashoka Enclave Part-III
Faridabad-121003

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory statement sets out all material facts relating to the Special Business as mentioned in the accompanying Notice:

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors- M/s G.T. & Co. to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018 at an Annual Fee of Rs. 1,05,000 plus Taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Ordinary Resolution set out at Item no. 5 for the approval of Members.

Item No. 6

Shri M.L. Aggarwal was re-appointed as Executive Chairman by the Shareholders in their Annual General Meeting held on 2nd September, 2014 for a period of 3 years w.e.f. 01/04/2015. His term will expire on 31st March, 2018.

Shri M.L. Aggarwal is 87 years of age and was the promoter Director of the Company. He is a Graduate in Science having more than 63 years of engineering experience in handling the corporate planning/ corporate finance/ general administration functions of the Company since the inception of the Company. Under his leadership, the Company has achieved a turnover of more than Rs. 375 Crores during the financial year ended 31st March, 2017. He is also the member of the Share Transfer Committee and the Nomination Remuneration Committee of the Company.

In recognition of his excellent performance and to enable the Company to continue to benefit from his stewardship, the Nomination Remuneration Committee has recommended his re-appointment as Whole Time Chairman of the Company with the emoluments and the terms as given below. The Board has also approved the re-appointment of Mr. M.L. Aggarwal as Whole Time Chairman for a period of 3 years with effect from 1st April, 2018, even before the expiration of his present term, subject to the approval of shareholders at the ensuing Annual General Meeting.

The requisite information as stipulated in Schedule V of the Companies Act, 2013 is as furnished below:

Remuneration Proposed: The details of remuneration payable to Shri M. L. Aggarwal, as Executive Chairman are set out as below:

a. Basic Salary (Including HRA)

Rs. 1,33,75,350 per annum with a fixed increment of 15% P.A on cumulative basis.

b. Perquisites and allowances

Rs. 5,00,000 per annum with a fixed increment of 15% P.A. on Cumulative basis.

The perquisites and allowances, as aforesaid, shall include accommodation (furnished or therewith) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

c. Commission

Commission in addition to Basic Salary, Perquisites and other allowances, benefits or amenities at the rate of 1% of the net profits of the Company in a particular financial year as computed in the manner referred to in section 196 of the Companies Act, 2013.

d. Reimbursement of Expenses:

Expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance/medical expenses incurred, surgery in India or abroad as well as travelling cost including for their respective family members shall be reimbursed at actuals and not considered as perquisites

e. Club Fees: Fees of clubs including admission and life membership fees shall not be considered as perquisite.

f. Personal Accident Insurance: For self with a sum insured of Rs. 50 Lacs P.A.

g. Gratuity: Fifteen days salary for each completed year of service.

h. Provident Fund and Superannuation Fund: Contribution to Provident Fund and Superannuation Fund in accordance with the rules of the Company.

General:

- (i) The Chairman shall be liable to retire by rotation and he will perform his respective duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- (ii) The Chairman shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Chairman shall adhere to the Company's Code of Conduct for Directors and Management Personnel.

Shri M.L. Aggarwal is not disqualified from being appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Shri M.L. Aggarwal under Section 190 of the Act. Brief resume of Shri M.L. Aggarwal, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as required pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India is provided in the Corporate Governance Report forming part of this Annual Report.

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri M. L. Aggarwal for his re-appointment as Chairman of the Company.

Shri M.L. Aggarwal, Shri Anil Aggarwal and Shri Atul Aggarwal are interested in the resolutions set out respectively at Item No. 6 of the Notice, which pertain to respective re-appointment and remuneration payable to him.

The other relatives of Shri M.L. Aggarwal may be deemed to be interested in the resolutions set out respectively at Item No. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out at item no. 9 for approval by the shareholders.

Item No. 7

Shri Anil Aggarwal was re-appointed as Managing Director by the Shareholders in their Annual General Meeting held on 2nd September, 2014 for a period of 3 years w.e.f. 01/04/2015. His term will expire on 31st March, 2018.

Shri Anil Aggarwal is 59 years of age and is a Graduate in Science & has 41 years of rich experience of manufacturing, Accounts, Projects and Quality functions and is presently in charge of the entire manufacturing operations and Strategic Sourcing function. He is largely responsible for building up abiding business relationships with OEM's like Maruti Udyog limited, Hero Honda, Honda Motorcycle and Scooters India Limited, Eicher, Punjab Tractors, Tafe, Telco etc. he has satisfactorily handled the production corporate planning/corporate finance/general administration functions since the inception of the Company. He is also the member of the Share Transfer Committee and the Nomination Remuneration Committee of the Company.

In recognition of his excellent performance and to enable the Company to continue to benefit from his stewardship, the Human Resources Nomination Remuneration Committee has recommended his re-appointment as Managing Director of the Company with the emoluments and the terms as given below. The Board has also approved the re-appointment of Mr. Anil Aggarwal as Managing Director for a period of 3 years with effect from 1st April, 2018, even before the expiration of his present term, subject to the approval of shareholders at the ensuing Annual General Meeting.

The requisite information as stipulated in Schedule V of the Companies Act, 2013 is as furnished below:

Remuneration Proposed: The details of remuneration payable to Shri Anil Aggarwal, as Managing Director are set out as below:

a. Basic Salary (Including HRA)

Rs. 1,21,89,000 per annum with a fixed increment of 15% P.A on cumulative basis.

b. Perquisites and allowances

Rs. 5,00,000 per annum with a fixed increment of 15% P.A. on Cumulative basis.

The perquisites and allowances, as aforesaid, shall include accommodation (furnished or therewith) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

c. Commission

Commission in addition to Basic Salary, Perquisites and other allowances, benefits or amenities at the rate of 1% of the net profits of the Company in a particular financial year as computed in the manner referred to in section 196 of the Companies Act, 2013.

d. Reimbursement of Expenses:

Expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance/medical expenses incurred, surgery in India or abroad as well as travelling cost including for their respective family members shall be reimbursed at actuals and not considered as perquisites

- e. **Club Fees:** Fees of clubs including admission and life membership fees shall not be considered as perquisite.
- g. **Personal Accident Insurance:** For self with a sum insured of Rs. 50 Lacs P.A.
- i. **Gratuity:** Fifteen days salary for each completed year of service.
- j. **Provident Fund and Superannuation Fund:** Contribution to Provident Fund and Superannuation Fund in accordance with the rules of the Company.

General:

- (i) The Managing Director shall be liable to retire by rotation and he will perform his respective duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- (ii) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Managing Director shall adhere to the Company's Code of Conduct for Directors and Management Personnel.

Shri Anil Aggarwal is not disqualified from being appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Anil Aggarwal under Section 190 of the Act. Brief resume of Shri Anil. Aggarwal, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as required pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India is provided in the Corporate Governance Report forming part of this Annual Report.

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Anil Aggarwal for his re-appointment as Managing Director of the Company.

Shri M.L. Aggarwal, Shri Anil Aggarwal and Shri Atul Aggarwal are interested in the resolutions set out respectively at Item No. 7 of the Notice, which pertain to respective re-appointment and remuneration payable to him.

The other relatives of Shri Anil Aggarwal may be deemed to be interested in the resolutions set out respectively at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out at item no. 7 for approval by the shareholders.

Item no. 8

Shri Atul Aggarwal was re-appointed as Whole Time Director by the Shareholders in their Annual General Meeting held on 2nd September, 2014 for a period of 3 years w.e.f. 01/04/2015. His term will expire on 31st March, 2018.

Shri Atul Aggarwal is 53 years of age and is a master in Business Administration (MBA) from UNC Kanan Flagler Business School, Chappel Hill, USA and has 28 years of rich experience of Marketing / Sales, Accounts, Projects and Quality functions and is presently in charge of the entire Marketing & Finance operations and Strategic Sourcing function.

He has handled his various responsibilities with dedication and high degree of competence. He is also the member of Share Transfer Committee, Stakeholders' Relationship Committee and Special Invitee of the Audit Committee.

In recognition of his excellent performance and to enable the Company to continue to benefit from his stewardship, the Human Resources Nomination Remuneration Committee has recommended his re-appointment as Whole Time Director of the Company with the emoluments and the terms as given below. The Board has also approved the re-appointment of Mr. Atul Aggarwal as Whole Time Director for a period of 3 years with effect from 1st April, 2018, even before the expiration of his present term, subject to the approval of shareholders at the ensuing Annual General Meeting as well as the approval of Central Govt. thereafter.

The requisite information as stipulated in Schedule V of the Companies Act, 2013 is as furnished below:

Remuneration Proposed: The details of remuneration payable to Shri Atul Aggarwal, as Whole Time Director are set out as below:

a. Basic Salary (Including HRA)

Rs. 1,15,50,000 per annum with a fixed increment of 15% P.A on cumulative basis.

b. Perquisites and allowances

Rs. 5,00,000 per annum with a fixed increment of 15% P.A. on Cumulative basis.

The perquisites and allowances, as aforesaid, shall include accommodation (furnished or therewise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

c. Commission

Commission in addition to Basic Salary, Perquisites and other allowances, benefits or amenities at the rate of 1% of the net profits of the Company in a particular financial year as computed in the manner referred to in section 196 of the Companies Act, 2013.

d. Reimbursement of Expenses:

Expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance/medical expenses incurred, surgery in India or abroad as well as travelling cost including for their respective family members shall be reimbursed at actuals and not considered as perquisites

e. Club Fees: Fees of clubs including admission and life membership fees shall not be considered as perquisite.

h. Personal Accident Insurance: For self with a sum insured of Rs. 50 Lacs P.A.

k. Gratuity: Fifteen days salary for each completed year of service.

l. Provident Fund and Superannuation Fund: Contribution to Provident Fund and Superannuation Fund in accordance with the rules of the Company.

General:

- (i) The Whole Time Director shall be liable to retire by rotation and he will perform his respective duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- (ii) The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (i) The Whole Time Director shall adhere to the Company's Code of Conduct for Directors and Management Personnel.

Shri Atul Aggarwal is not disqualified from being appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Atul Aggarwal under Section 190 of the Act. Brief resume of Shri Atul Aggarwal, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as required pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India is provided in the Corporate Governance Report forming part of this Annual Report.

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Atul Aggarwal for his re-appointment as Whole Time Director of the Company.

Shri M.L. Aggarwal, Shri Anil Aggarwal and Shri Atul Aggarwal are interested in the resolutions set out respectively at Item No. 8 of the Notice, which pertain to respective re-appointment and remuneration payable to him.

The other relatives of Shri Atul Aggarwal may be deemed to be interested in the resolutions set out respectively at Item No. 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out at item no. 8 for approval by the shareholders.

For Sterling Tools Limited

Date: 31st August, 2017
Place: Faridabad

Registered Office:
K-40, Connaught Circus
New Delhi-110001

(Vaishali Singh)
Company Secretary
Membership No. A15108
House No. 466, Second Floor
Ashoka Enclave Part-III
Faridabad-121003

PROXY FORM (MGT-11)

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



STERLING TOOLS LIMITED

CIN No.: L29222DL1979PLC009668

Regd. Office : K-40, Connaught Circus, New Delhi-110001

Corporate Office : Plot No. 4, D L F Industrial Estate, Faridabad-121003

E-mail : sterling@stlfasteners.com, **Website** : www.stlfasteners.com

Tel : 91 129 2270621-25 / **Fax** : 91 129 2277359

Name of the member(s) :
Registered address :
E Mail Id:
Folio No. / *Client ID:
*DP ID:

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

- 1) Name: _____ E Mail: _____
Address: _____
Signature _____, Or failing him / her
- 2) Name: _____ E Mail: _____
Address: _____
Signature _____, Or failing him / her
- 3) Name: _____ E Mail: _____
Address: _____
Signature _____

and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company to be held on Thursday, the 28th day of September, 2017 at 11:00 A.M. at The Little Theatre Group (LTG) Auditorium, Copernicus Marg, New Delhi-110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional**	
		For	Against
Ordinary Business			
1.	Adoption of Annual Accounts of Sterling Tools Limited as on 31st March, 2017 (Ordinary Resolution)		
2.	Ratification of payment of Interim Dividend (Ordinary Resolution)		
3.	Re-appointment of Retiring Director (Ordinary Resolution)		
4.	Appointment of Statutory Auditors of the Company (Ordinary Resolution)		
Special Business			
5.	To ratify the remuneration of the Cost Auditors for the Financial Year 2017-2018 (Ordinary Resolution)		
6.	Re-appointment and payment of remuneration to Shri M. L. Aggarwal, Chairman of the Company (Special Resolution)		
7.	Re-appointment and payment of remuneration to Shri Anil Aggarwal, Managing Director of the Company (Special Resolution)		
8.	Re-appointment and payment of remuneration to Shri Atul Aggarwal, Whole Time Director of the Company (Special Resolution)		

* Applicable for investors holding shares in electronic form

Signed this day of 2017.

Signature of the shareholder

Signature of the Proxy holder

Signature of the Proxy holder

Signature of the Proxy holder

Affix Re. 1/- Revenue Stamp

NOTE :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office at K-40, Connaught Circus, New Delhi-110001 / Corporate Office of the Company at Plot No. 4, D L F Industrial Estate, Faridabad-121003, not less than 48 hours before the commencement of the Meeting,
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 38th Annual General Meeting.
- **3. It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For ' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. Please complete all details including detail of member(s) in above box before submission.

ROUTE MAP

The Little Theatre Group (LTG) Auditorium, Copernicus Marg, New Delhi-110001

