



# 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 Ninth 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 Friday, 28th September, 2018 at 10:30 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 2018 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 2018 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 2018 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 2017-2018 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 7th September, 2017 and 13th February, 2018 respectively total amounting to 100% be and is hereby confirmed & ratified as Final Dividend for Financial Year 2017-2018."

#### **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 Atul Aggarwal (DIN 00125825) who retires by rotation, and being eligible, offers himself for re-appointment be and is hereby re-appointed as Director".

### **Special Business**

#### **4. To ratify the remuneration of the Cost Auditors for the financial Year 2018-19:**

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 Jitender, Navneet & Co., Cost Accountants 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, 2019, 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.”

**5. Power to borrow money:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 readwith applicable provisions of the memorandum and Articles of Association of the Company and in supersession to the resolution passed by members through Postal Ballot on 12th Day of September, 2014, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow for and on behalf of the company, from time to time ,any sum or sums of money from any one or more of the Company’s bankers and/or from any one or more individuals/firms/bodies corporate/financial institutions on such terms & conditions as the Board of Directors may deem fit, notwithstanding the fact that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business such as loans repayable on demand or within 6 months from the date of the loan, cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but not including loans raised for the purpose of financing expenditure of a capital nature) will or may exceed the aggregate of the paid-up share capital of the company and its free reserves (that is to say reserves not set apart for any specific purpose) and securities premium but such borrowings shall not exceed Rs. 500 Crores (Rupees Five Hundred Crores Only) at any point of time.”

**6. Power to Make Loan, Investment and Guarantee:**

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

**“RESOLVED THAT** in supersession of all the earlier Resolutions passed in this regard, pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and the Rules framed thereunder including any statutory modification or re-enactment thereof for the time being in force and such other approvals as may be required in that behalf, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to:

- make loans from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- give on behalf of any person, body corporate, any guarantee, or provide security in connection with a loan made by any other person to or to any other person by anybody corporate; and
- acquire by way of subscription, purchase or otherwise the securities of any other body corporate,

in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rs. 400 crores, notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee, or security so far provided to, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

**FURTHER RESOLVED THAT** the consent of the Company be and is hereby accorded to the Board to invest in the securities of Subsidiaries, Associates, Related Parties, make loans to them; provide guarantees/security on their behalf, to person, within the limits, if any, as may be applicable from time to time and on such terms and conditions as may be deemed fit and expedient.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to negotiate the terms and conditions of the above said investments, loan(s), security(ies) or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.

**FURTHER RESOLVED THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company.”

**By Order of the Board  
For Sterling Tools Limited**

**Date: 11th August, 2018  
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. 4 to 6 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 2018 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. Atul Aggarwal, 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 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 Saturday, 22nd September, 2018 to Friday, 28th September, 2018 (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. 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 2009-2010 has already been transferred in said fund on 10th November, 2017 and for the financial year 2010-2011 will be transferred on or before 10th September, 2018. 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 2011-2012 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:

| <b>Dividend Year</b> | <b>Date of declaration of dividend</b> | <b>Last Date for claim</b> |
|----------------------|--|----------------------------|
| 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                 |
| 2017-2018 Interim    | 07/09/2017                             | 14/10/2024                 |
| 2017-2018 Interim    | 13/02/2018                             | 20/03/2025                 |

Those members who have not so far claimed their dividend for the financial year 2011-2012, 2012-2013-Interim, 2013-2014-interim, 2014-2015-Interim, 2015-2016-Interim, 2015-2016-Interim, 2015-2016-Interim, 2016-2017-Interim, 2016-2017-Interim, 2017-2018-Interim and 2017-2018-Interim are requested to make their claims to the Company for obtaining duplicate dividend warrants.

14. (a) **Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2017-18, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. October 31, 2017. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: [http://www.stlfasteners.com/ Investors](http://www.stlfasteners.com/Investors). The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).**
- (b) **Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact MAS Services Limited for lodging claim for refund of shares and / or dividend from the IEPF Authority.**
15. **SEBI has decided that securities of listed companies can be transferred only in dematerialized form from 5th December, 2018. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialize shares held by them in physical form.**
16. 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.
17. 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.
18. 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.
19. The entire Annual Report is also available at the Company's Website [www.stlfasteners.com/new/news.asp](http://www.stlfasteners.com/new/news.asp).
20. 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](mailto:csec@stlfasteners.com).
21. 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, 2018 (End of Day) being the "Cut-off Date" fixed for the purpose, to exercise their right to vote at the 39th AGM by electronic means through the remote e-voting platform provided by National Securities Depository Limited (NSDL).

22. **The procedure and instructions for remote e-voting as given in the Notice of the 39th 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.nsdl.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](mailto:goyalsify11@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- II. In case of Members receiving Physical copy of Notice of 39th 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](http://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, 2018.

- 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, 2018, may also obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto: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.nsd.com](http://www.evoting.nsd.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](http://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.
- 23. The remote e-voting period begins on Tuesday, 25th September, 2018 at 9:00 A.M. and ends on Thursday, 27th September, 2018 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 (record date) of 21st September, 2018 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.
- 24. 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).
- 25. 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 vote by remote e-voting shall be able to exercise their right at the meeting.

26. Details of Director seeking re-appointment in the Annual General Meeting scheduled on Friday, 28th September, 2018 (Pursuant to Regulation 36(3) of the SEBI (LODR) regulations, 2015 and Secretarial Standards are as follows:

|  |  |
|--|--|
| <b>Name of Director</b>  | <b>Shri Atul Aggarwal</b>  |
| <b>Date of Birth</b>   | 26/03/1964   |
| <b>Expertise in Specific Functional Areas</b>  | Finance & Marketing  |
| <b>Qualification</b>   | M.B.A  |
| <b>Board Membership of other Public Limited Companies as on 31st March, 2018</b>   | NIL  |
| <b>Chairman/member of the Committee of the Board of Directors as on 31st March, 2018</b>   | Stakeholders Relationship Committee – Member<br>Share Transfer Committee – Member<br>CSR Committee – Member  |
| <b>Chairman / member of the Committee of Directors of the other Companies in which he is a Director as on March 31, 2018.</b><br>a. Audit Committee<br>b. Stakeholders Relationship Committee<br>c. Other Committees | NIL  |
| <b>Number of Shares held of Sterling Tools Limited</b>   | 8648455  |
| <b>Experience</b>  | 29 Yrs.  |
| <b>Terms and Conditions of appointment / reappointment and details of remuneration sought to be paid</b>   | Basic Salary Rs. 115.50 Lacs p.a., Perquisite & Allowances Rs. 5 Lacs p.a., Commission 1% of profit., Other terms and conditions as approved by shareholders vide their special resolution dated 28th September, 2017. |
| <b>Relationship with other Directors/members and other KMP</b>   | Son of Chairman and Brother of Managing Director   |

**By Order of the Board  
For Sterling Tools Limited**

**Date: 11th August, 2018  
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. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors- M/s Jitender, Navneet & Co., Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019 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. 4 for the approval of Members.

### **Item No. 5**

The Company through Postal Ballot effective from 12th Day of September 2014 approved the limits for the borrowings to be made by the Board of Directors of the company from time to time upto Rs. 200 Crores (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business).

Further, keeping in view the increased business size and the expansion plan for future, the funds requirement of the Company have also been increased. Therefore, the Board of Directors recommended for the increased borrowing powers from the present Rs. 200 Crores to Rs. 500 Crores.

Hence your Board of Directors recommend this resolution for the approval of the Members by way of special resolution.

None of the directors/ Key managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, in the Special Resolution as set out at Item No. 5 of the Notice for approval of Shareholders.

### **Item No. 6**

In accordance with the provisions of Section 372A of the Companies Act, 1956, the Members in the Annual General Meeting held on 7th August, 2008, had authorised the Board of Directors of the Company to make loans to bodies corporate; give guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise securities of any corporate, upto Rs. 80 Crores, in excess of the limits prescribed under the said Section.

As per the provisions of Section 186 of the Companies Act, 2013 (the 'Act'), it would be necessary to obtain the approval of the members for:-

- making loans to any person or other bodies corporate;
- giving guarantee or provide security in connection with a loan to any other bodies corporate or person; and
- acquiring by way of subscription, purchase or otherwise, the securities of any other body corporate, in excess of the limits of:-
- 60% of the paid-up share capital and free reserves and securities premium account; or
- 100% of the free reserves and securities premium account; whichever is higher.

The Company has been regular in investing/making loans/providing guarantees/security in other bodies corporate. In order to enable the Company to further invest/make loans/provide guarantees/security, it is considered necessary to obtain the approval of the members to make loan/invest/provide guarantees/security, for an amount not exceeding Rs. 400 crores, under the provisions of Section 186 of the Companies Act, 2013.

The Board recommends passing the Special Resolution set out in Item No. 6 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested in this item of business.

**By Order of the Board  
For Sterling Tools Limited**

**Date: 11th August, 2018**

**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 39th Annual General Meeting of the Company to be held on Friday, the 28th day of September, 2018 at 10:30 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** |         |
|-------------------|--|------------|---------|
| Ordinary Business |  | For        | Against |
| 1.                | Adoption of Annual Accounts of Sterling Tools Limited as on 31st March, 2018 (Ordinary Resolution)     |            |         |
| 2.                | Ratification of payment of Interim Dividend (Ordinary Resolution)                                      |            |         |
| 3.                | Re-appointment of Retiring Director (Ordinary Resolution)  |            |         |
| Special Business  |  |            |         |
| 4.                | To ratify the remuneration of the Cost Auditors for the Financial Year 2018-2018 (Ordinary Resolution) |            |         |
| 5.                | Power to borrow money (Special Resolution)   |            |         |
| 6.                | Power to Make Loan, Investment and Guarantee (Special Resolution)                                      |            |         |

\* Applicable for investors holding shares in electronic form

Signed this ..... day of ..... 2018.

**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 39th 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

