



STERLING TOOLS LIMITED

CIN No.: L29222DL1979PLC009668

Regd. Office: Office No. 243 C-10, Regus Elegance, 2F, Elegance,
Jasola District Centre, Old Mathura Road, New Delhi-110025

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

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

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

NOTICE OF POSTAL BALLOT & E-VOTING

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013 (the Act) read with applicable rules of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and as per Regulations of the Securities and Exchange Board of India(Listing Obligations & Disclosure Requirements) Regulations, 2015, and pursuant to other applicable laws and regulations, that the Resolution appended below for alteration of the object clause of the memorandum of association of the company is proposed to be passed by the Members through Postal Ballot/Electronic voting (remote e-voting).

Pursuant to provisions of Section 102 of Companies Act, 2013 the Explanatory Statement pertaining to the Resolution setting out the material facts and the reasons thereof is annexed hereto along with Postal Ballot Form (the 'Form') for your consideration. You are requested to send the duly filled Postal Ballot Form with your assent or dissent to the annexed Resolution.

The Company has appointed Shri A. K. Goyal, Company Secretary in Practice as scrutinizer for conducting the Postal Ballot Process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot form and return the form duly completed in all respects in the enclosed self-addressed pre-paid postage envelope so as to reach the Scrutinizer on or before the close of working hours on Wednesday, the 27th March, 2019, the last date for the receipt of the completed Postal Ballot forms.

The Scrutinizer will submit their report to the Chairman of the Board / Director after completion of the scrutiny and the result will be announced on Friday, the 29th March, 2019 at 1.00 P.M. at the Registered Office of the Company i.e. Office No. 243 C-10, Regus Elegance, 2F, Elegance, Jasola District Centre, Old Mathura Road, New Delhi-110025

The resolution passed through the Postal Ballot shall be deemed to be passed in an **Extra Ordinary General Meeting** of the Company

1. **Re-appointment of Shri Chhotu Ram Sharma (DIN 00522678) as an Independent Director of the Company**

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

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 07th February, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (“Amendment Regulations, 2018”) and the other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri C.R. Sharma (**DIN 00522678**), aged 76 years whose current period of office is expiring on 31st March, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, who shall not be subject to retirement by rotation, to hold office for a period of 5 (five) years i.e. w.e.f. 1st April, 2019 to 31st March, 2024 on the Board of the Company.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

2. **Re-appointment of Ms. Malini Sud (DIN 01297943) as an Independent Director of the Company**

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

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 07th February, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be

and is hereby accorded for re-appointment of Mrs. Malini Sud (**DIN 01297943**) whose current period of office is expiring on 14th September, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non- Executive Director of the Company, who shall not be subject to retirement by rotation, to hold office for a period of 5 (five) years i.e. w.e.f. 1st April, 2019 upto 31st March, 2024 on the Board of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

3. **Re-appointment of Dr. Triloki Nath Kapoor (DIN 00017692) as an Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 07th February, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (“Amendment Regulations, 2018”) and the other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Dr. T. N. Kapoor (**DIN 00017692**), aged 88 years whose current period of office is expiring on 31st March, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, who shall not be subject to retirement by rotation, to hold office for a period of 5 (five) years i.e. w.e.f. 1st April, 2019 to 31st March, 2024 on the Board of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

4. **Appointment of Shri Jaideep Wadhwa (DIN 00410019) as Non- Executive Non-Independent Director of the Company**

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 Sections 161 read with Section 188(1)(f) of the Companies Act, 2013 read with Rule 8, 9 and 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, Mr. Jaideep Wadhwa (**DIN 00410019**) who was appointed as Non- Executive Non-Independent Director of the Company at the meeting of the Board of Directors of the Company on 07th February, 2019 and in respect of whom a notice under Section 160 has been received in writing from a member proposing his candidature as Director of the Company be and is hereby appointed as Non-Executive Non-Independent Director at a monthly Advisory Fee of Rs. 5 lacs per month.

RESOLVED FURTHER THAT the Audit Committee/Nomination & Remuneration Committee/Board of Directors has the liberty to alter and vary such Advisory Fee in accordance with the provisions of the Companies Act, 2013, to effect change in the terms & conditions of appointment including responsibilities of Mr. Jaideep Wadhwa, holding office or place of profit, within the maximum limits as permitted under the Companies Act, 2013 as amended from time to time.

5. **Appointment of Shri Anish Aggarwal relative of Shri Anil Aggarwal, Managing Director as Project Head-Bangalore.**

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 sections 188(1), 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, the consent of Company be and is hereby accorded to the appointment of Mr. Anish Aggarwal, as Project Head-Bangalore, Son of Sh. Anil Aggarwal ,Managing Director of the Company, w.e.f. 01st February 2019 on such terms & conditions as detailed below:

- Basic Salary : Rs. 100000/- P.M.
- HRA : Rs. 40000/- P.M.
- Special Allowance : Rs. 72270/- P.M.
- Telephone: Mobile/Telephone facility as per the Company's rules.
- Leave encashment as per the Company's rules.
- Provident Fund: Company's contribution towards Provident Fund as per Provisions of Employees Provident Fund Act.
- Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per Company's rules.
- Reimbursement of actual traveling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business.
- Annual appraisal/increment as per the policy of the Company.

RESOLVED FURTHER THAT the Audit Committee/Nomination & Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration in accordance with the provisions of the Companies Act, 2013, to effect change in the terms & conditions of appointment including designation and responsibilities of Mr. Anish Aggarwal holding office or place of profit, within the maximum limits as permitted under the Companies Act, 2013 as amended from time to time.”

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

Date: 7th February 2019

Place: Faridabad

Registered Office:

**Office No. 243 C-10, Regus Elegance, 2F, Elegance,
Jasola District Centre, Old Mathura Road, New Delhi-110025**

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

NOTES:

1. An Explanatory Statement setting out the material facts concerning the Resolution is annexed.
2. Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, assent or dissent of the members in respect of the resolution contained in the Notice dated 7th February 2019 is being taken through Postal Ballot/Remote e-voting.
3. The Company has appointed Shri A. K. Goyal, Company Secretary in Practice as Scrutinizer for conducting the Postal Ballot / Remote e-voting process.
4. Notice is being sent to all Members/ beneficiaries, whose names appear on the Register of members/ Record of Depositories as on 15th February 2019. Voting rights shall be reckoned on the shares registered in the name of shareholders as on that date.
5. Under the 'Green Initiative' of the ministry of Corporate Affairs, Postal Ballot Notice is being sent to the members who have registered email ids, through email and to all other members by post alongwith Postal ballot Form.
6. The Company is extending Remote e-voting facility as an alternative for its members to enable them to cast their vote electronically instead of dispatching Postal Ballot form. Remote e-voting is optional for members.
7. Please note that the members can opt for only one mode of voting, i.e. through Postal Ballot or Remote e-voting. In case of voting by both the modes, voting done through a valid physical Postal Ballot will prevail and Remote e-voting of such member will be ignored.
8. The Remote e-voting begins on Tuesday, 26th February 2019 at 9.00 am and end on Wednesday, 27th March 2019 at 5.00 pm.
9. There will be one Postal Ballot Form/Remote e-voting for every Folio/ Client Id irrespective of the number of joint holders.
10. Voting rights in the Postal Ballot form cannot be exercised by a proxy.

11. The Scrutinizer will submit his report after last date of receipt of Postal Ballot/ Remote e-voting i.e. 28th March 2019.
12. The Scrutinizer's decision on the validity of a Postal Ballot/ Remote e-voting will be final.
13. The results of voting shall be declared by the Chairman of the Company on 29th March 2019. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.stlfasteners.com and will be communicated to the BSE & NSE and also on the website of NSDL.

Instructions for Remote e-voting through electronic mode/physical mode is printed overleaf of Postal Ballot form.

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

Explanatory Statement pursuant to Section 102 of the Companies Act 2013

Item No. 1

Re-appointment of Shri Chhotu Ram Sharma (DIN 00522678) as an Independent Director of the Company

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the 35th Annual General Meeting held on 02nd September, 2014, Shri Chhotu Ram Sharma was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years upto 31st March, 2019. Since, Shri Chhotu Ram Sharma will complete his initial term as an Independent Director of the Company on 31st March, 2019, he is eligible for re-appointment for one more term.

Shri Chhotu Ram Sharma, aged 76 years, is a B.A. Graduate and is having more than 50 years of experience in Corporate Banking and International Banking affairs. He is on the Board of the Company since 28th June, 2006 as an Independent Director. His other Directorships include PNC Infratech Limited. He is the Chairman of Audit Committee and Nomination and Remuneration Committee of the Company. He is also a member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Company. As on date, he does not hold any shares of the Company. As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, ("Amendment Regulations, 2018"), inter alia, provides that "no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless it is approved by the members by passing a special resolution to that effect". Shri Chhotu Ram Sharma is 76 years old and hence his re-appointment requires the approval of members by way of a special resolution.

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 07th February, 2019, subject to approval of Members and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on his skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by him during his tenure and outcome of performance evaluation of the Independent Directors, Shri Chhotu Ram Sharma (DIN 00522678) is to be re-appointed as an Independent Non-Executive Director of the Company, for the second term of 5 (Five) years w.e.f. 1st April, 2019 to 31st March, 2024. Further Shri Chhotu Ram Sharma shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received a declaration from Shri Chhotu Ram Sharma, being eligible for re-appointment as Independent Director for the second term providing his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Shri Chhotu Ram Sharma confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time. Shri Chhotu Ram Sharma is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Shri Chhotu Ram Sharma to be re-appointed as an Independent Non-Executive Director of the Company as per the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of Shri Chhotu Ram Sharma setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Sundays and Holidays at the Registered Office of the Company. Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Shri Chhotu Ram Sharma as an Independent Director of the Company.

Except Shri Chhotu Ram Sharma, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 1. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Item No. 2

Re-appointment of Smt. Malini Sud (DIN 01297943) as an Independent Director of the Company

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, Smt. Malini Sud was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years upto 14th September 2019. Since, Smt. Malini Sud will complete her initial term as an Independent Director of the Company on 14th September 2019, She is eligible for re-appointment for one more term.

Smt. Malini Sud, aged 63 years, is a Law Graduate and is having more than 35 years of experience in Corporate Laws. She is on the Board of the Company since 15th September 2014 as an Independent Director. Her other Directorship include The Hitech Gears Ltd. She is the Member of Audit Committee and Nomination and Remuneration Committee of the Company. As on date, She does not hold any shares of the Company.

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 07th February, 2019, subject to approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on her skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by her during her tenure and outcome of performance evaluation of the Independent Directors, Smt. Malini Sud (DIN 01297943) is to be appointed as an Independent Non-Executive Director of the Company, for the second term of 5 (Five) years w.e.f. 1st April, 2019 upto 31st March, 2024. Further Smt. Malini Sud shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received a declaration from Smt. Malini Sud (DIN 01297943), being eligible for re-appointment as Independent Director for the second term providing her consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Smt. Malini Sud confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time. Smt. Malini Sud is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Smt. Malini Sud to be re-appointed as an Independent Non-Executive Director of the Company as per the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of Smt. Malini Sud setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Sundays and Holidays at the Registered Office of the Company. Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Smt. Malini Sud as an Independent Director of the Company.

Except Smt. Malini Sud, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 2. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Item No. 3

Re-appointment of Dr. Triloki Nath Kapoor (DIN 00017692) as an Independent Director of the Company

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the 35th Annual

General Meeting held on 02nd September, 2014, Dr. Triloki Nath Kapoor was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years upto 31st March, 2019. Since, Dr. Triloki Nath Kapoor will complete his initial term as an Independent Director of the Company on 31st March, 2019, he is eligible for re-appointment for one more term.

Dr. Triloki Nath Kapoor, aged 88 years, is a M. Com. LLB, Ph.D. and is having more than 62 years of experience in Corporate affairs, Corporate Management Policy, Finance and Human Resource Management. He is on the Board of the Company since 31st August, 1999 as an Independent Director. His other Directorships include Omax Auto Limited and Swaraj Engines Limited. He is the Chairman of Stakeholders Relationship Committee of the Company. He is also a member of Audit Committee and Nomination and Remuneration Committee of the Company. As on date, he does not hold any shares of the Company. As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, ("Amendment Regulations, 2018"), inter alia, provides that "no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless it is approved by the members by passing a special resolution to that effect". Dr. Triloki Nath Kapoor is 88 years old and hence his re-appointment requires the approval of members by way of a special resolution.

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 07th February, 2019, subject to approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on his skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by him during his tenure and outcome of performance evaluation of the Independent Directors, Dr. Triloki Nath Kapoor (DIN 00017692) is to be re-appointed as an Independent Non-Executive Director of the Company, for the second term of 5 (Five) years w.e.f. 1st April, 2019 to 31st March, 2024. Further Dr. Triloki Nath Kapoor shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received a declaration from Dr. Triloki Nath Kapoor, being eligible for re-appointment as Independent Director for the second term providing his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Dr. Triloki Nath Kapoor confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time. Dr. Triloki Nath Kapoor is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Dr. Triloki Nath Kapoor to be re-appointed as an Independent Non-Executive Director of the Company as per the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of Dr. Triloki Nath Kapoor setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Sundays and Holidays at the Registered Office of the Company. Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Dr. Triloki Nath Kapoor as an Independent Director of the Company.

Except Dr. Triloki Nath Kapoor, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Item No. 4

Appointment of Shri Jaideep Wadhwa (DIN 00410019) as Non- Executive Non-Independent Director of the Company

Mr. Jaideep Wadhwa was appointed as a Non-Executive Non-Independent Additional Director of the Company vide their meeting held on 07th February, 2019 at a monthly Advisory Fee of Rs. 5 lacs p.m. and is eligible to hold office upto ensuing Annual General Meeting of the Company.

But pursuant to the provision of Section 188(1)(f) of the Companies Act, 2013 the appointment of any director holding office or place of profit is required to be approved by the Board of Directors as well as by the Shareholders in certain cases and the approval of shareholders is to be sought within 3 months from the date of such appointment.

Mr. Jaideep Wadhwa, aged 55 years, is an MBA from University of Virginia and is having more than 30+ years of industry experience with 20+ years as Executive Director, CEO, Managing Director or President. He had worked in Machinery, Auto & Industrial Component and Packaging industries as well as in Private Equity.

His experience spans in growth, operational improvements, new business model development, acquisitions & integration and turnarounds.

The Board has appointed Mr. Jaideep Wadhwa for providing strategic guidance to achieve Domestic as well as International business development by the Company and to support the Company to diversify and develop new business avenues by supporting collaboration/ acquisitions within and outside India.

The Company has already received a notice from one of the Member under Section 160 of the Companies Act, 2013 proposing Mr. Jaideep Wadhwa' candidature as Director of the Company.

Mr. Jaideep Wadhwa is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Jaideep Wadhwa as Non-Executive Non-Independent Director of the Company

Item No. 5

Appointment of Shri Anish Agarwal relative of Shri Anil Aggarwal, Managing Director as Project Head-Bangalore.

The provisions of section 188(1) of the Companies Act, 2013 Act that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders in case of related party' appointment to any office or place of profit.

The Board of Directors of the Company, on the recommendation of Audit Committee, at their meeting held on 07th February 2019 has approved the appointment of Mr. Anish Agarwal who is son of Shri Anil Aggarwal, the Managing Director, as Project Head-Bangalore, subject to approval of the Shareholders by way of an Ordinary Resolution.

Mr. Anish Agarwal has been working for Sterling Tools Limited since January 2012 at different positions in various departments. He has handled Engineering, Production then Exports of the Company and has discharged all his duties sincerely and efficiently.

Mr. Anish Agarwal is an Engineer and he has done his Manufacturing and Mechanical Engineering from University of Warwick, United Kingdom (U.K.) (2007-2011) and MBA from Imperial College Business School, London (2016-2017).

In recognition of his academic qualifications from World renowned Universities and keeping in view his excellent performance during his working period with Sterling tools Limited, it is proposed to designate him as Project Head-Bangalore with effect from 01st February 2019.

The details of the remuneration payable to Mr. Anish Agarwal is given in the resolution no. 5.

As per section 188(1) (f) of the Companies Act, 2013, your Directors recommends the resolution for your approval.

Mr. Anil Aggarwal, Managing Director, being relative is deemed to be interested or concerned in the concerned resolution.

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

Date: 7th February 2019

Place: Faridabad

Registered Office:

**Office No. 243 C-10, Regus Elegance, 2F, Elegance,
Jasola District Centre, Old Mathura Road, New Delhi-110025**

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

Details of Directors seeking appointment/re-appointment through Postal Ballot notice dated 7th February, 2019 (Pursuant to Regulation 36(3) of the SEBI(LODR) Regulation, 2015 and Secretarial Standards are as follows:

Name of Director	Shri C.R. Sharma	Ms. Malini Sud	Dr. T.N. Kapoor	Shri Jaideep Wadhwa
Date of Birth	13/11/1942	06/03/1956	02/06/1932	20/02/1964
Expertise in Specific Functional Areas	Corporate Banking and International Banking Affairs	Advocate	Corporate Affairs, Corporate Management Policy, Finance and Human Resources Management	in Machinery, Auto & Industrial Component and Packaging industries as well as in Private Equity
Qualification	B.A.	B.A. LLB	M. Com. LLB, Ph.D.	MBA
Board Membership of other Public Limited Companies as on 31st December, 2018	PNC Infratech Limited	The Hi-Tech Gear Ltd.	Omax Auto Limited Swaraj Engines Limited	NIL
Chairman/member of the Committee of the Board of Directors as on 31st December, 2018	Stakeholders Relationship Committee – Member Audit Committee – Chairman Nomination & Remuneration Committee – Member CSR Committee - Member	Audit Committee – Member Nomination & Remuneration Committee – Member	Stakeholders Relationship Committee – Chairman Audit Committee – Member Nomination & Remuneration Committee – Member	NIL
Chairman / member of the Committee of Directors of the other Companies in which he is a Director as on 31st December, 2018. a. Audit Committee b. Stakeholders Relationship Committee c. Other Committees	PNC Infratech Limited Audit Committee – Member	NIL	Omax Auto Limited Audit Committee – Member Stakeholders Relationship Committee – Chairman Nomination & Remuneration Committee – Member CSR Committee- Member Swaraj Engines Limited Audit Committee – Member Stakeholders Relationship Committee – Chairman Nomination & Remuneration Committee – Chairman	NIL
Number of Shares held of Sterling Tools Limited	NIL	NIL	NIL	8917
Experience	50 Years	35 Years	62 Years	30 Years
Term and Conditions of appointment / re-appointment and details of remuneration sought to be paid	Sitting fee Rs. 25,000 per Board Meeting/ Committee Meeting	Sitting fee Rs. 25,000 per Board Meeting/ Committee Meeting	Sitting fee Rs. 25,000 per Board Meeting/ Committee Meeting	Monthly Advisory Fee of Rs. 5 Lacs Per Month
Relationship with other Directors/members and other KMP	N.A.	N.A.	N.A.	N.A.