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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Sterling Tools Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Sterling Tools Limited ('the Company') for the quarter ended 30 June 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Walker Chandiook & Co LLP

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)(cont'd)

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Anamitra Das

Partner

Membership No.: 062191



UDIN:

Place: Faridabad

Date: 02 August 2019

UDIN: 19062191AAAAX5112

STERLING TOOLS LIMITED

Regd. Office: Office No. 243 C-10, Regus Elegance, 2F Elegance, Jasola District Centre, Old Mathura Road, New Delhi-110025
Website: stlfasteners.com, E-mail: csec@stlfasteners.com, CIN: L29222DL1979PLC009668



Statement of unaudited standalone financial results for the quarter ended 30 June 2019

(₹ in lakhs, except per share data)

S. No.	Particulars	Quarter ended			Year ended
		30 June 2019 (Unaudited)	31 March 2019 (Unaudited) (Refer note 3)	30 June 2018 (Unaudited)	31 March 2019 (Audited)
1	Income				
	(a) Revenue from operations	10,430.88	11,829.79	13,127.31	51,220.35
	(b) Other income	138.35	171.88	186.26	636.29
	Total Income	10,569.23	12,001.67	13,313.57	51,856.64
2	Expenses				
	(a) Cost of materials consumed	4,008.01	4,762.29	5,829.01	22,565.55
	(b) Changes in inventories of finished goods and work-in-progress	66.87	162.21	(448.30)	(1,880.71)
	(c) Employee benefits expense	954.80	914.35	926.71	3,583.11
	(d) Finance costs	139.48	159.62	73.11	366.38
	(e) Depreciation and amortisation expense	545.58	504.19	456.00	1,905.02
	(f) Consumption of stores and spares	727.81	998.70	1,067.81	4,307.85
	(g) Power and fuel	790.22	835.80	883.91	3,792.98
	(h) Other expenses	2,031.52	2,538.78	2,344.59	10,257.60
	Total expenses	9,264.29	10,875.94	11,132.84	44,897.78
3	Profit before tax (1-2)	1,304.94	1,125.73	2,180.73	6,958.86
4	Tax expense				
	(a) Current tax	499.92	333.61	774.59	2,356.10
	(b) Deferred tax	(70.19)	56.81	3.09	116.70
	Total tax expenses	429.73	390.42	777.68	2,472.80
5	Profit for the period (3-4)	875.21	735.31	1,403.05	4,486.06
6	Other comprehensive income				
	(A) (i) Items that will not be reclassified to the statement of profit and loss	(0.20)	52.10	(17.63)	(0.79)
	(ii) Income-tax relating to items that will not be reclassified to the statement of profit and loss	0.07	(18.21)	6.16	0.28
	(B) (i) Items that will be reclassified to the statement of profit and loss	-	-	-	-
	(ii) Income-tax relating to items that will be reclassified to the statement of profit and loss	-	-	-	-
	Total other comprehensive income	(0.13)	33.89	(11.47)	(0.51)
7	Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (5+6)	875.08	769.20	1,391.58	4,485.55
8	Paid-up equity share capital (face value of ₹ 2 each)	720.48	720.48	720.48	720.48
9	Other equity				27,700.05
10	Earnings per share				
	(a) Basic	2.43*	2.04*	3.89*	12.45
	(b) Diluted	2.43*	2.04*	3.89*	12.45

* not annualised

Notes:

- The standalone financial results of Sterling Tools Limited (the 'Company') for the quarter ended 30 June 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 02 August 2019.
- These standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- Figures for the quarter ended 31 March 2019 represents the balancing figures between the standalone audited figures for the full financial year ended 31 March 2019 and year to date figures upto the nine months ended 31 December 2018.
- The Company has adopted Ind AS 116 "Leases" with effect from 1 April 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using modified retrospective method. The adoption of this standard did not have any material impact on the profit of the current quarter.
- The Company's business falls within a single business segment in terms of the Indian Accounting Standards 108, 'Operating Segments' and hence no additional disclosures are being furnished.

For and on behalf of the Board of Directors



(Signature)
(Anil Aggarwal)
Managing Director

Place: Faridabad
Date: 02 August 2019

SIGNED FOR
IDENTIFICATION
PURPOSE ONLY



Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Sterling Tools Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Sterling Tools Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), and joint venture (refer Annexure 1 for the list of subsidiary and joint venture included in the Statement) for the quarter ended 30 June 2019, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Attention is drawn to the fact that the corresponding quarter ended 30 June 2018 and the preceding quarter ended 31 March 2019, as reported in the Statement have been approved by the Holding Company's Board of Directors, but have not been subjected to audit or review.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the financial results of one subsidiary included in the Statement, whose financial information reflects total revenues of ₹ 4.30 lakh, total net profit after tax of ₹ 2.87 lakh and total comprehensive income of ₹ 2.87 lakh for the quarter ended on 30 June 2019, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of ₹ 14.72 lakh and total comprehensive loss of ₹ 14.58 lakh for the quarter ended on 30 June 2019, as considered in the Statement, in respect of one joint ventures, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Anamitra Das

Partner

Membership No.: 062191



UDIN:

Place: Faridabad

Date: 02 August 2019

UDIN : 19062191 AAAA A45 367

Walker Chandiook & Co LLP

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

Annexure 1

List of entities included in the Statement

1. Haryana Ispat Private Limited, subsidiary; and
2. Sterling Fabory India Private Limited, joint venture.



STERLING TOOLS LIMITED

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Statement of unaudited consolidated financial results for the quarter ended 30 June 2019

(₹ in lakhs, except per share data)

S. No.	Particulars	Quarter ended			Year ended
		30 June 2019 (Unaudited)	31 March 2019 (Unaudited) (Refer note 3)	30 June 2018 (Unaudited) (Refer note 3)	31 March 2019 (Audited)
1	Income				
	(a) Revenue from operations	10,430.88	11,829.79	13,127.31	51,220.35
	(b) Other income	142.65	176.42	160.76	654.45
	Total Income	10,573.53	12,006.21	13,318.07	51,874.80
2	Expenses				
	(a) Cost of materials consumed	4,008.01	4,762.29	5,829.01	22,565.55
	(b) Changes in inventories of finished goods and work-in-progress	66.87	162.21	(448.30)	(1,880.71)
	(c) Employee benefits expense	954.80	914.35	926.71	3,583.11
	(d) Finance costs	139.48	159.62	73.11	366.48
	(e) Depreciation and amortisation expense	545.58	504.19	456.00	1,905.02
	(f) Consumption of stores and spares	727.81	998.70	1,067.81	4,307.85
	(g) Power and fuel	790.22	835.60	893.91	3,792.98
	(h) Other expenses	2,031.82	2,539.05	2,344.90	10,259.03
	Total expenses	9,264.69	10,876.21	11,133.16	44,899.31
3	Share of profit of joint venture	(14.58)	17.05	5.83	13.59
4	Profit before tax (1-2+3)	1,294.36	1,147.05	2,190.75	6,989.08
5	Tax expense				
	(a) Current tax	501.04	334.79	775.76	2,360.98
	(b) Deferred tax	(70.19)	56.81	3.09	116.36
	Total tax expenses	430.85	391.60	778.85	2,477.34
6	Profit for the period (4-5)	863.51	755.45	1,411.90	4,511.74
7	Other comprehensive income				
	(A) (i) Items that will not be reclassified to the statement of profit and loss	(0.20)	52.10	(17.63)	(0.79)
	(ii) Income-tax relating to items that will not be reclassified to the statement of profit and loss	0.07	(18.21)	6.16	0.28
	(B) (i) Items that will be reclassified to the statement of profit and loss	-	-	-	-
	(ii) Income-tax relating to items that will be reclassified to the statement of profit and loss	-	-	-	-
	Total other comprehensive income	(0.13)	33.89	(11.47)	(0.51)
8	Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (6+7)	863.38	789.34	1,400.43	4,511.23
9	Profit for the period attributable to				
	(a) Owners of the Company	863.51	755.45	1,411.90	4,511.74
	(b) Non controlling interest	-	-	-	-
10	Other comprehensive income attributable to				
	(a) Owners of the Company	(0.13)	33.89	(11.47)	(0.51)
	(b) Non controlling interest	-	-	-	-
11	Total comprehensive income attributable to				
	(a) Owners of the Company	863.38	789.34	1,400.43	4,511.23
	(b) Non controlling interest	-	-	-	-
12	Paid-up equity share capital (face value of ₹ 2 each)	720.48	720.48	720.48	720.48
13	Other equity				27,329.19
14	Earnings per share				
	(a) Basic	2.40*	2.10*	3.92*	12.52
	(b) Diluted	2.40*	2.10*	3.92*	12.52

* not annualised

Notes:

- The consolidated financial results of Sterling Tools Limited (the 'Holding Company') for the quarter ended 30 June 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 02 August 2019.
- These consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting" (Ind AS 34) prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- Figures for the quarter ended 31 March 2019 represents the balancing figures between the consolidated audited figures for the full financial year ended 31 March 2019 and un-reviewed and un-audited year to date figures upto the nine months ended 31 December 2018. Further, the figures for the quarter ended 30 June 2018 are neither reviewed nor audited.
- The Group has adopted Ind AS 116 "Leases" with effect from 1 April 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using modified retrospective method. The adoption of this standard did not have any material impact on the profit of the current quarter.

For and on behalf of the Board of Directors

Place: Faridabad
Date: 02 August 2019

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Anil Aggarwal
(Anil Aggarwal)
Managing Director