



STERLING TOOLS LIMITED

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44th ANNUAL GENERAL MEETING

Monday, 18th September 2023 at 10:00 A.M.

through Video Conferencing and Other Audio Video Visual Means

WELCOME SPEECH by Company Secretary

“Good morning, everyone!

My name is Abhishek Chawla, I am Company Secretary & Compliance Officer of Sterling Tools Limited.

I would like to welcome all the Shareholders, Board of Directors, Auditors and Scrutinizer, who have joined us today, in the 44th Annual General Meeting of Sterling Tools Limited through Video Conferencing and Other Audio Video Visual Mode. Hope all of you are safe & in good health.

Before commencing the official proceedings, I would like to inform all the attendees about the following points –

- In order to ensure the safety of all the stakeholders, this AGM is being organized through video conferencing, which is in compliance with the guidelines issued by the Ministry of Corporate Affairs, and the Securities and Exchange Board of India. The Company has taken all the efforts feasible under the current circumstances to enable all of you to participate in the meeting through video conferencing and to vote electronically. The Proceedings of this annual general meeting shall be deemed to have been conducted at the registered office of the Company at New Delhi and the participation of members through video conference is being recorded as a statutory requirement.
- Mr. Anil Aggarwal, Chairman & Managing Director of the company shall preside over the meeting as the Chairperson of this Annual General Meeting.
- Facility of joining the AGM is being made available on first come first serve basis.

	<ul style="list-style-type: none"> All members who have joined this meeting are by default placed in mute mode to avoid any disturbance from background to ensure smooth conduct of the meeting. <p>I would now request Mr. Anil Aggarwal, Chairman to officially commence the proceedings of 44th Annual General Meeting of Sterling Tools Limited.</p> <p>Thank you.</p>
Chairman	<p>Good morning everyone, this is Anil Aggarwal, Managing Director and Chairman of the Company.</p> <p>On behalf of the Board of directors, I warmly welcome you all to the 44th Annual General Meeting of your Company. Along with me we have Mr. C. R. Sharma, Independent Director and Chairman of Audit Committee and Nomination and Remuneration Committee and also Member of Stakeholder Relationship Committee; Mr. Rakesh Batra, Independent Director, Ms. Malini Sud, Independent Director, Mr. Atul Aggarwal, Whole Time Director, Mr. Jaideep Wadhwa and Mr. Akhill Aggarwal, Directors and Mr. Pankaj Gupta, Chief Financial Officer of the Company.</p> <p>Mr. T. N. Kapoor, and Mr. Shailendra Swarup, Independent Directors were unable to attend the meeting due to their pre-occupations.</p> <p>We have the requisite quorum present through video conference to conduct the proceedings of this meeting. Participation of members through video conference is being counted for the purpose of quorum as per the circulars issued by MCA and Section 103 of the Companies Act, 2013.</p> <p>The quorum being present, I call this meeting to order.</p>
CS	<p>Thank you, Chairman Sir.</p> <p>Apart from the board Members we also have Statutory auditors-Walker Chandiook & Co. and Mr. Santosh Pradhan, the Scrutinizer, who have joined this meeting from their respective locations.</p> <p>Since all the members are joining this meeting through Video Conferencing, the facility to appoint a proxy to attend and cast vote for the members is not available for this AGM pursuant to the Circular of Ministry of Corporate Affairs.</p>

	<p>The Register of Directors, KMP and their Shareholding and other Statutory Registers as required under Companies Act, 2013 have been made available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send their requests to csec@stlfasteners.com.</p> <p>The Statutory Auditors, Walker Chandiok & Co., and Secretarial Auditor, M/s Dhananjay Shukla & Associates, have expressed unqualified opinion in the respective audit reports for the financial year 2022-23. There were no qualifications or adverse comments on financial statements and matters, which have any material impact on the functioning of the Company. The Statutory Auditors' report on standalone financial statements and consolidated financial statements are available on Page Numbers 108 and 189 of the annual report. The Secretarial Auditor report is enclosed as Annexure V to the Board's report on Page Number 43 of the annual report.</p> <p>I now request, Mr. Ankit Aggarwal, from Walker Chandiok & Co., Statutory Auditor of the Company to read out the Audit' report for the benefit of shareholders.</p>
<p>Ankit Aggarwal</p>	<p>Thank you, Sir.</p> <p>In the interest of time and with the permission of shareholders, I will be reading the first two paragraphs of our audit report.</p> <p>We have audited the accompanying standalone financial statements of Sterling Tools Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a notes to the Standalone Financial Statements including a summary of the significant accounting policies and other explanatory information.</p> <p>In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting</p>

	<p>principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.</p>
CS	<p>Thank you, Mr. Ankit Aggarwal.</p> <p>Now, May I Ask Chairman sir to give his views on the performance of the Company during FY 2022-23.</p>
Chairman	<p>Dear Shareholders,</p> <p>As the Notice and Directors' Report have already been emailed to all the members on 26th August 2023, I propose to take them as read.</p> <p>Before we move to the business items to be transacted through this AGM, I wish to share my views on the performance of the Company during F.Y. 2022-23 and the outlook for the future.</p> <p>CHAIRMAN'S SPEECH</p> <p>Once again good morning, everyone.</p> <p>It is always a pleasure to connect with you, and – although virtual – it is a privilege to host you today. I thank you for your continued trust, encouragement and outright support to the Company and its Management.</p> <p>This year has been a milestone year for all of us at Sterling. Our fasteners business has been the foundation of our growth and has recorded the total revenue of Rs. 604 Crores and our EV business has achieved total revenue of Rs. 174.32 Crores in FY 2022-23, our consolidated revenue increased by 51% from Rs. 512.6 Crores in FY 2021-22 to Rs. 774.9 Crores in FY 2022-23. Our Consolidated EBITDA has also experienced a significant rise of 44% by reaching a remarkable number of Rs. 100.4 Crores in the FY 2022-23.</p> <p>Further, the Company's profit before tax (PBT) has also recorded an impressive growth of 82%, increasing from Rs. 34.8 Crores in FY 2021-22 to Rs. 63.3 Crores in FY 2022-23.</p> <p>At Sterling, we are transforming by venturing into the EV component segment through our wholly owned subsidiary Sterling Gtake E-mobility Limited. Our ability to adopt and embrace change has been key to our success.</p>

We remain committed to evolve our EV presence and we aim to establish ourselves as the leading player in India's EV component space. We have orders from 15 EV OEMs, and for most of these Customers/models we are the single source supplier. With our order book growing, we have initiated a capacity expansion of MCUs from 3,00,000 to 6,00,000 units per annum. Additionally, with our team of highly qualified engineers, we are focusing on product development and application support.

Through our forward-looking approach, we are actively exploring growth opportunities and strategic partnerships that will drive an increased share of the auto component space. By harnessing these collaborations, we aim to further strengthen our market position and capitalize on the rapidly growing auto market.

We emerged as more resilient and our confidence in our capabilities is reflected not only in our numbers but also in the trust that our clients have placed in us. I am grateful to our clients, partners, team members, and other stakeholders for their continuous collaboration to make this happen.

We firmly believe that the cornerstone of our sustainable growth lies in our ability to minimize our impact on the environment by following sustainable business practices and to support our communities and create value for society. Our CSR initiatives focus on providing healthcare and education.

I would also like to appreciate the unwavering support of our stakeholders and OEM partners as we embark on a journey of mutual success. Your collective efforts and belief in our endeavors have been instrumental in our achievements. Together, we will continue to achieve milestones and create an organization for the future.

The Directors' Report and the Audited Accounts for the Financial Year ended 31st March 2023 have been with you and, with your consent, I shall take them as read.

On behalf of the Board of Directors, I assure you that we are well positioned, both to face challenges and leverage future business opportunities. I thank our team for their daily and untired efforts to overcome the market challenges and keeping up the performance. Lastly, I would like to express thanks to all our shareholders, customers, suppliers, and Governments for their support. We remain committed to building long-term value for you always.

Now may I ask Company Secretary to give details of Agenda items and voting process.

CS

Thank you, Sir!

In terms of the provisions of Companies Act, 2013 and the Listing Regulations, the Company has provided to shareholders remote e-voting facility through the system of NSDL to all the persons who were members on 11th September, 2023 being the cutoff date for vote on all the resolutions set out in the notice of AGM. The remote e-voting period commenced at **09:00 am from 15th September 2023 and ended at 05:00 p.m. on 17th September, 2023.**

Such members, who have not already cast their vote through remote e-voting, can cast their vote now during this meeting through e-voting facility by visiting the NSDL voting page. The voting is opened and shall remain open till 15 minutes after the conclusion of this AGM.

Mr. Santosh Pradhan, Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the vote cast at remote e-voting and open Voting at this AGM.

Since the meeting is being conducted through Video Conferencing and the resolutions stated in the Notice of AGM are already put to vote through remote e-voting, there will be no proposing and seconding of the resolutions.

Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through Remote voting and voting during AGM and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any. The results of the voting shall be declared within 48 hours of the conclusion of this AGM.

The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company and on the website of NSDL and Stock Exchanges.

In the Notice of this 44th AGM, 4 resolutions have been proposed for the approval by the members. There are 3 Ordinary Businesses and 1 Special Business.

	<p>Ordinary Business(s):</p> <ol style="list-style-type: none"> 1. To receive, consider and adopt the Audited standalone and consolidated Financial Statements for the financial year ended 31st March 2023 together with the Director's report and Auditors report thereon. 2. Declaration of Dividend for F.Y.2022-23. 3. Reappointment of Retiring Director. <p>Special Business(s):</p> <ol style="list-style-type: none"> 4. Ratification of Remuneration of Cost Auditor for financial year 2023-24. <p>Resolution No 1 to 4 have been proposed to be passed as Ordinary Resolutions.</p>
<p>Questions by shareholders if any- CS</p>	<p>Now we move to the question-answer session. Only those Shareholders who have sent their queries in advance or have registered themselves for speaking at the meeting shall be eligible to raise their query.</p> <p>We will announce the name of the Shareholder one by one who has registered himself/herself for speaking. To start speaking, the Shareholders are requested to switch on their video mode. If such Shareholder is not able to join through video for any reason, then that member can join through the audio mode only. The Shareholders are advised to use headphone for Clear Audio and switch off other background applications, if any, running.</p> <p>If there is connectivity issue for any speaker shareholder end, then we will request the next speaker shareholder to speak. Once the connectivity improves, we will again call the previous registered speaker shareholder. We request the speaker shareholders to kindly limit the speech/ queries within 3 minutes as per the information which the shareholders have sent to us. The Questions related to Secretarial Compliances will be answered by Company secretary and the questions related to Finance will be answered by CFO of the Company post receipt of all questions form Shareholders.</p> <p>Now I request Mr. Ajay Jain to express his views/ask the question:</p> <p><i>“Mr. Ajay Jain expressed his views about the Company and</i></p>

	<p><i>made request to do some CSR in Himachal Pradesh and Himachal as the states have suffered losses due to flood.”</i></p> <p>Now I request Mr. Praveen Kumar to express his views/ask the question:</p> <p><i>“Mr. Praveen Kumar expressed his views, appreciated the Company performance during the year and asked what would be the growth driver for next year”</i></p> <p>Now I request Mr. Kanwar I S Sahni to express his views/ask the question: Absent</p> <p>Now I request Mr. Yashpal Chopra to express his views/ask the question: Absent</p> <p>Now I request Mr. Chetan Chadha to express his views/ask the question:</p> <p><i>“Mr. Chetan Chadha expressed his views, appreciated the performance of the Company and asked what would be the roadmap for next year.”</i></p> <p>Mr. Atul Aggarwal, Whole Time Director, answered to the queries of Shareholders that our future focus is on electric Vehicle sector and directed CFO and CS to address the queries of Shareholders regarding Dividend.</p> <p>With this, we <i>conclude</i> the Q & A session with all Registered Speakers.</p> <p>I would like to thanks to all the shareholders who participated in the Annual General Meeting of the Company to make it successful</p>
<p>Vote of thanks, by Chairman.</p>	<p>Now I authorize the Company Secretary to conclude the meeting. The results would be announced on or before the 20th September, 2023 and the same would be intimated to Stock Exchanges and will be uploaded on the website of the Company and NSDL.</p> <p>Thank you.</p>
<p>Company Secretary</p>	<p>I Request all shareholders to please cast your vote who have not cast yet. If you have any difficulty casting the vote please write in the Q & A box, we will help you in the same.</p> <p>The Voting is open for 15 minutes from now.</p> <p>Thank you everyone.</p>

