STERLING FABORY

STERLING FABORY INDIA PRIVATE LIMITED
CIN – U51900DL2010PTC199832
Regd. Office: A-18, Block B-1 Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044
Phone-91-11-43703300, Fax-91-11-41513666
Website: www.sterlingfabory.com

NOTICE

Notice is hereby given that 9th Annual General Meeting of the members of the Company will be held on Tuesday, 21st May, 2019 at 04:30 P.M. at Registered Office of the Company at A-18, Block B-1 Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044 to transact the following business(s):

Ordinary Business

1. **Adoption of Financial Statements:**

   To receive, consider and adopt the Financial Statements containing the Balance Sheet as at 31st March 2019 and the Profit and Loss Account for the financial year ended on that date together with the Directors' Report and Auditors' Report thereon.

   "RESOLVED THAT the Financial Statements containing the Balance Sheet as at 31st March 2019 and the Profit and Loss Account for the Financial Year ended 31st March 2019 together with the Directors' Report and Auditors' Report thereon be and are hereby received, considered and adopted."

Special Business

2. **To ratify the transaction entered into with M/s Sterling Automobiles Private Limited:**

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

   "RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules 2014, transactions relating to services of Honda vehicles entered into by the Company with M/s Sterling Automobiles Private Limited, a related entity amounting to Rs 48957/- during the Financial year 2018-2019 be and are hereby ratified."

By order of the Board of Directors

Atul Aggarwal
Director
DIN No. 00125825

Registered Office:
A-18, Block B-1 Mohan
Cooperative Industrial Estate,
Mathura Road,
New Delhi-110044

Date: 21.05.2019
Place: Faridabad

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.**
2. In terms of Section 102(1) (a) and (b), none of the Directors or their relatives have any concern, financial or otherwise and does not have any conflict of interest in Item No. 1 to Item No. 2 except as expressed under each of the items in the explanatory statement.
3. Explanatory Statements in respect of items (including the ones for items of Special Business under Section 102 of the Companies Act, 2013) are annexed herewith.

STATEMENT SETTING OUT THE MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 3

The Company has been getting its vehicles serviced from M/s Sterling Automobiles Private Limited since last few years, a related party being Shri Anil Aggarwal and Shri Atul Aggarwal as common directors. It is pertinent to mention that all the said transactions have been done at arm' length basis.

During the financial year 2018-2019, the Company has entered into transactions related to services of vehicles amounting to Rs. 48957/- but due to non-availability of adequate disinterested quorum on the Board, the matter need to be ratified by the shareholders.

The relevant information as required under section 188 of the Companies Act, 2013 is as follows:

1. **Name of the related party & nature of relationship**:

   Sterling Automobiles Private Limited, Mr. Anil Aggarwal & Mr. Atul Aggarwal being the common directors in both the Companies.

2. **The Nature, Duration of the Contract and particulars of the Contract or arrangement**:

   Service including repair of Honda Vehicles during the Financial Year 2018-2019.

3. **The material terms of the contract or arrangement including the value, if any:**

   All the transactions had been done on Arm length basis. The total value of transaction for Financial Year 2018-2019 was Rs.48957/-.

4. **Any advance paid or received for the contract or arrangement, if any**:

   N. A.

5. **The manner of determining the pricing and other commercial terms,**

   On Arm length basis

6. **Whether all factors relevant to the contract have been considered, If not, the details of factors not considered with the rationale for not considering those factors:**

Yes, all the factors have been considered in the best interest of the Company.

7. **Any other information relevant or important for the Board to take a decision on the proposed transaction:**

N. A.

Relevant documents can be inspected at the Registered office of the Company during working hours on any working day upto the date of the Annual General Meeting of the Company.

The proposed resolution does not relate to or effect the business interest of the Company in which the Promoter, Director or Manager have substantial interest.

None of the Directors except Mr. Anil Aggarwal & Mr. Atul Aggarwal are interested or concerned in the resolution.

The Directors recommend the above resolution for ratification by the Members.

Registered Office:
A-18, Block B-1 Mohan
Cooperative Industrial Estate,
Mathura Road,
New Delhi-110044

Date: 21.05.2019
Place: Faridabad

By order of the Board of Directors

Atul Aggarwal
Director
DIN No. 00125825

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ATTENDANCE SLIP

Regd. Folio No. / DP ID – Client ID : ____________________

Name & Address of First / Sole Shareholder : ____________________

No. of Shares held : ____________________

I hereby record my presence at the Annual General Meeting of the Company to be held on Tuesday, 21st May, 2019 at 04:30 P.M. at Registered Office at A-18, Block B-1 Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044.

____
Signature of Member / Proxy

Notes:

a) Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
b) Member/Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.

Form No. MGT-11 PROXY FORM

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

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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 Company hereby appoint:

1) Name :____________________
Address :____________________
Email: ____________________
Signature: ____________________

2) Name :____________________
Address :____________________
Email: ____________________
Signature: ____________________

3) Name :____________________
Address: ____________________
Email: ____________________
Signature: ____________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 9th Annual General Meeting of the Company to be held on Tuesday, the 21st day of May, 2019 at 04:30 P.M. at A-18, Block B-1 Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044. 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 Financial Statement as on 31st March, 2019 (Ordinary Resolution)		
Special Business			
2.	To ratify the transaction entered into with M/s Sterling Automobiles Private Limited (Ordinary Resolution)		

* Applicable for investors holding shares in electronic form

Signed this .... day of .... 2019.

Affix Revenue Stamp

Signature of the shareholder

Signature of the Proxy holder holder **Signature of the Proxy holder** **Signature of the Proxy**

NOTE: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at A-18, Block B-1 Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044., not less than 48 hours before the commencement of the Meeting.

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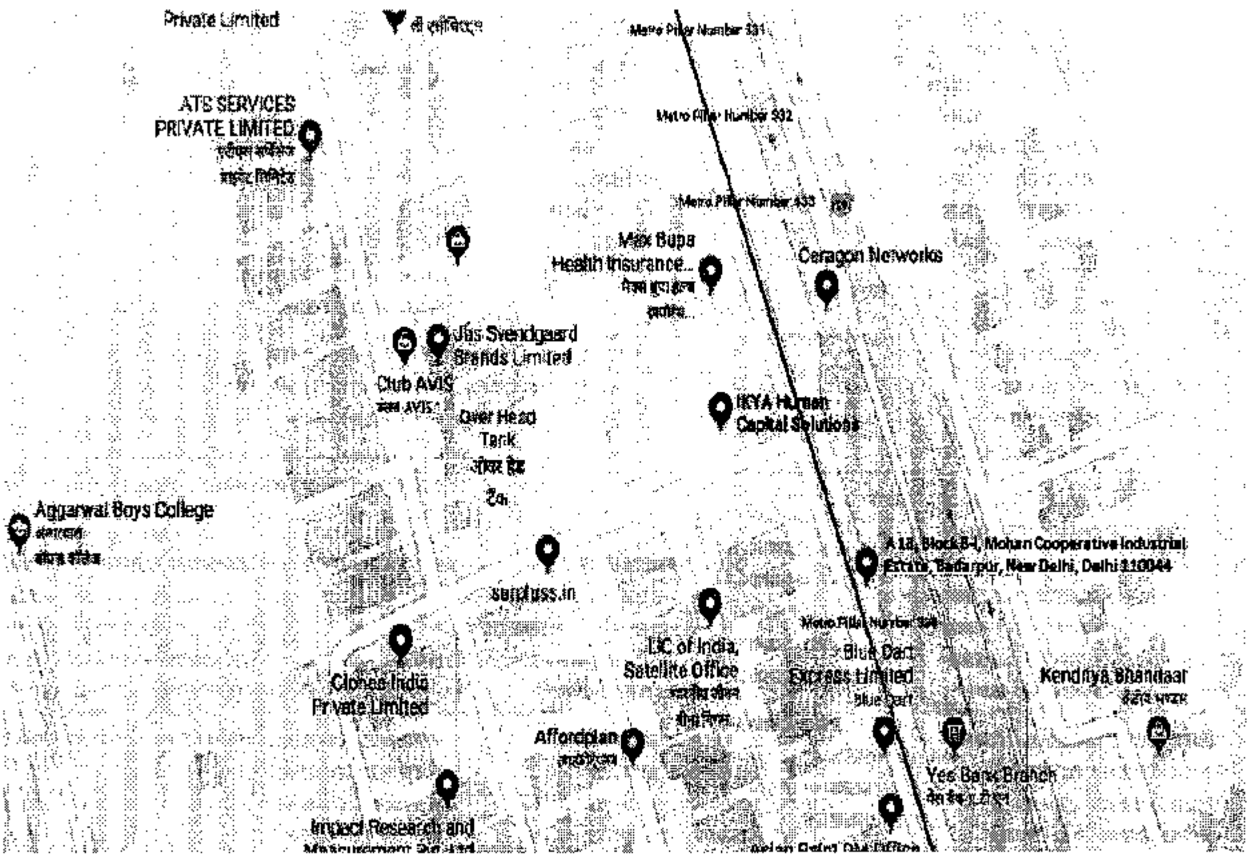
ROUTE MAP

A 18, Block B-I, Mohan Cooperative Industrial Estate, Badarpur, New Delhi, Delhi 110044



THE COMPANIES ACT, 2013

Consent of shareholder for shorter notice

[Pursuant to proviso of section 101(1)]

The Board of Directors,
STERLING FABORY INDIA PRIVATE LIMITED
A-18, Block B-1 Mohan Cooperative Industrial Estate,
Mathura Road, New Delhi-110044

Fabory Masters in Fasteners Group B. V., P. O. Box No. 5034 – 5004, EA Tilburg, The Netherlands, holding 34,05,000 equity shares of Rs. 10/- each in the Sterling Fabory India Private Limited in the name of Fabory Masters in Fasteners Group B. V. hereby give consent, pursuant to proviso of section 101(1) of the Companies Act, 2013, to hold the Annual General Meeting on Tuesday, 21st May 2019, at 04:30 P.M. at shorter notice.

For and on behalf of the Fabory Masters in Fasteners Group B. V.

Dated: 21st May 2019

Ronald Ernst Baarslag

THE COMPANIES ACT, 2013

Consent of shareholder for shorter notice

[Pursuant to proviso of section 101(1)]

The Board of Directors,
STERLING FABORY INDIA PRIVATE LIMITED
A-18, Block B-1 Mohan Cooperative Industrial Estate,
Mathura Road, New Delhi-110044

Sterling Tools Limited, Regd. Office at 243 C-10, Regus Elegance, 2F, Elegance Jasola District Centre, Old Mathura Road, New Delhi-110025 holding 34,05,000 equity shares of Rs. 10/- each in the Sterling Fabory India Private Limited in the name of Sterling Tools Limited hereby give consent, pursuant to proviso of section 101(1) of the Companies Act, 2013, to hold the Annual General Meeting on Tuesday, 21st May 2019, at 04:30 P.M. at shorter notice.

For and on behalf of the Sterling Tools Limited

Dated: 21st May 2019

Atul Aggarwal

STERLING FABORY

STERLING FABORY INDIA PRIVATE LIMITED

CIN – U51900DL2010PTC199832
Regd. Office: A-18, Block B-1 Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044
Phone-91-129-2270621-25, Fax-91-129-2277359
Website: www.sterlingfabory.com

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 9th Board Report, together with the Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2019.

1. STATEMENT OF COMPANY AFFAIRS

a. FINANCIAL RESULTS & PERFORMANCE

The performance of the Company for the financial year ended 31st March, 2019 is summarized below:

Particulars	Financial Year ended 31st March, 2019 (Rs. In Lacs)	Financial Year ended 31st March, 2018 (Rs. In Lacs)
Gross Revenue	1425.28	1228.54
Less: Total Expenditure	1394.82	1176.52
Profit/ (Loss) before exceptional, extraordinary items and Tax	30.46	52.02
Other Comprehensive Income for the Year, net of Tax	1.07	(0.53)
Tax Expense: -Current Tax -Deferred Tax -Tax adjustment for earlier years	- - 3.46 0.89	 - (0.22) -
Profit /(Loss) for the period	27.18	51.71

TRANSFER TO RESERVES

As the Company has accumulated losses, no amount been transferred to Reserves and surplus account.

DIVIDEND

Keeping in view the fund requirement of the Company, the Board has decided not to declare any dividend on the equity shares of Company.

REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

The Board of Directors of the Company has not revised the Financial Statements and Board's report for the financial year under review.

MATERIAL CHANGES AND COMMITMENTS SUBSEQUENT TO THE BALANCE SHEET

There is no change occurred in the Company subsequent to the closing of financial year till the signing of the Board's report.

b. KEY CHANGES DURING THE YEAR

Particulars	Key Changes during the Year
Nature of Business	No changes
Directors	No changes
Subsidiaries	N.A.
Details of Orders passed	N.A.

c. OPERATIONS DURING THE YEAR AND FUTURE OUTLOOK

The Company was in its ninth year of operations. During the period under review, the Company recorded an increase in the revenue from Rs 1228.54 Lacs to Rs. 1425.28 Lacs. Further, the Company has made profit amounting to Rs. 27.18 Lacs during the year under review.

2. DIRECTORS & COMPANY SECRETARY

There is no change in the directorship of the company occurred during the financial year.

MEETINGS OF THE BOARD

The Board of Directors duly met (4) times on 24th April, 2018, 14th August, 2018, 13th November, 2018 and 12th March, 2019 in respect of which meetings proper notices were given and the proceedings were properly recorded. The provisions to Independent Director referred under Sub section (6) of Section 149 are not applicable on the Company.

The details of the directors who attended the meetings are given below:

S. No.	Board Meeting Date	Attended by Mr. Anil Aggarwal	Attended by Mr. Atul Aggarwal	Attended by Mr. Ronald Ernst Baarslag	Attended by Mr. Johan Emiel Dewandeleer
1.	24.04.2018	Yes	Yes	Yes	No
2.	14.08.2018	Yes	Yes	Yes	No
3.	13.11.2018	Yes	Yes	Yes	Yes
4.	12.03.2019	Yes	Yes	Yes	Yes

The Company does not have any committee of directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
4. The Directors had prepared the annual accounts on a 'going concern' basis; and
5. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

3. AUDITORS

M/s S. R. Dinodia & Co. LLP, Chartered Accountants, have been appointed as Statutory Auditors of the Company for a term of 5 years at the Annual General Meeting held in September 2016. Their appointment is valid till the next Annual General Meeting of the Company and they have also confirmed that they are not disqualified from continuing as Auditors of the Company from the conclusion of forthcoming Annual General Meeting of the company until the conclusion of the 10th Annual General Meeting of the Company.

Further consequent to amendment in section 139 of the Companies Act, 2013 vide notification dated 7th May 2018, ratification of appointment of Statutory Auditor in every Annual General Meeting is no longer required.

The provisions relating to the Secretarial Audit and Cost Audit are not applicable on the Company.

BOARD'S EXPLANATION AND COMMENTS:

There are no explanations and comments given by the Board as the auditor's report given by auditors of the Company doesn't contain any qualification, reservation or adverse remarks.

4. ANNUAL RETURN

The extract of Annual return as provided under sub-section (3) of Section 92 is annexed as **Annexure-I** and forms part of this report.

5. DEPOSITS

The company has not accepted any deposits which come under the purview of Section 73 of the Companies Act, 2013.

6. RISK MANAGEMENT POLICY:

Every business has inherent risks involved in it operations, which may be either external or internal. The external factors are market competition, availability of cheaper substitute products, Government policies regarding power tariffs and ongoing political and economic changes. The Company may not have much control over such factors; however, it is important to address these risks & concerns to mitigate their overall impact on the business. Formal risk assessment and Management approach along with the regular monitoring mechanism in the Company ensures that these risks are duly addressed and well managed.

7. LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or provided any Guarantees and has not made any investments during the financial year under review.

8. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The particulars of Contracts and arrangements with related parties referred to in sub section (1) of Section 188 in AOC-2 is annexed as **Annexure-II** and forms part of this report.

9. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social Responsibility are not applicable on the Company.

10. SHARE CAPITAL

a. **EQUITY SHARES**
The Company has only one kind of Shares i.e. Equity shares with same voting rights.

b. **SWEAT EQUITY SHARES**
The Company has not issued any sweat equity shares during the financial year under review.

c. **ISSUE OF FURTHER SHARE CAPITAL**

During the year under review, no further share capital issued to shareholders.

d. **BUY BACK OF SHARES**
During the year under review, the Company has not made any offer to buy back its shares.

11. PARTICULARS OF EMPLOYEES:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as there is no employee covered under this category.

12. VIGIL MECHANISM:

The provisions of Section 177(9) of the Companies Act, 2013 is not applicable on the Company.

13. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information in accordance with the provisions of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 regarding conservation of energy and technology absorption are not given as the Company has not undertaken any manufacturing activity.

	Current Year (Rs.)	Previous Year (Rs.)
Foreign Exchange Earning	NIL	NIL
Foreign Exchange Outgo	21938/-	NIL

14. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, the Company has not received any complaint under this Act.

By Order of the Board
Sterling Fabory India Private Limited

Date: 21.05.2019	**Atul Aggarwal**	**Johan Emiel Dewandeleer**
Place: Faridabad	**Director**	**Director**
	DIN No. 00125825	**DIN No. 07678900**

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Website: www.sterlingfabory.com

Annexure-I to Board's Report **Extract of Annual Return**

FORM NO. MGT 9

As on financial year ended on 31.03.2019
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U51900DL2010PTC199832
ii	Registration Date	09.03.2010
iii	Name of the Company	STERLING FABORY INDIA PRIVATE LIMITED
iv	Category/Sub-category of the Company	Private Limited
v	Address of the Registered office & contact details	A-18, Block B-1 Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Trading of Fasteners	469	100%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N.A.	N.A.	N.A.		

IV SHAREHOLDING PATTERN (Equity Share Capital Break up as % to total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00

b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	3405000	34050000	50.00	0	3405000	34050000	50.00	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A) (1)	**0**	**3405000**	**34050000**	**50.00**	**0**	**3405000**	**34050000**	**50.00**	**0.00**
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	3405000	34050000	50.00	0	3405000	34050000	50.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	**0**	**3405000**	**34050000**	**50.00**	**0**	**3405000**	**34050000**	**50.00**	**0.00**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**0**	**6810000**	**6810000**	**100.00**	**0**	**6810000**	**6810000**	**100.00**	**0.00**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
C) Central govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIS	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
(2) Non-Institutions									
a) Bodies corporate	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
c-i) Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
c-ii) Non-Resident Indian/OCBs	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(2):	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand Total (A+B+C)	**0**	**6810000**	**6810000**	**100.00**	**0**	**6810000**	**6810000**	**100.00**	**0.00**

(ii) **SHARE HOLDING OF PROMOTERS**

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	STERLING TOOLS LIMITED	3405000	50	0	3405000	50	0	0.00
2	FABORY MASTERS IN FASTENERS GROUP B.V.	3405000	50	0	3405000	50	0	0.00
	Total	6810000	100	0	6810000	100	0	0.00

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1.	**Sterling Tools Limited**				
	At the beginning of the year	3405000	50	3405000	50
	Date wise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	NIL		NIL	
	At the end of the year	3405000	50	3405000	50

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
2.	**Fabory Masters in Fasteners Group B.V.**				
	At the beginning of the year	3405000	50	3405000	50
	Date wise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	NIL		NIL	
	At the end of the year	3405000	50	3405000	50

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year						

	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)		N.A.				
	At the end of the year						

(v) Shareholding of Directors & KMP

Sl. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)		N.A.		
	At the end of the year				

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due		N.A.		
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Additions				
Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI *REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL*

A. Remuneration to Managing Director, Whole time director and/or Manager:

(₹ in Lacs)

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	**Gross salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.				
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		**N.A.**		
2	Stock option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others (specify)				
5	Others, please specify				
	Total (A)				
	Ceiling as per the Act				

B. Remuneration to other directors:

(₹ in Lacs)

Sl. No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors				
	(a) Fee for attending board committee meetings				
	(b) Commission				
	(c) Others, please specify				
	Total (1)				
2	Other Non Executive Directors		**N.A.**		
	(a) Fee for attending board committee meetings				
	(b) Commission				
	(c) Others, please specify.				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration (A)+(B)				
	Overall Ceiling as per the Act.				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	**Gross Salary(in lacs)**			**C.S.**	**Total**
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.			1.29	1.29
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			Nil	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			Nil	
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others, specify				

5	Others, please specify				
	Total				1.29

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment			**NIL**		
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of Board of Directors of
Sterling Fabory India Private Limited

Atul Aggarwal
Director
DIN No. 00125825

Johan Emiel Dewandeleer
Director
DIN No. 07678900

Date: 21.05.2019
Place: Faridabad

STERLING FABORY
STERLING FABORY INDIA PRIVATE LIMITED
CIN – U51900DL2010PTC199832
Regd. Office: A-18, Block B-1 Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044
Phone-91-129-2270621-25, Fax-91-129-2277359
Website: www.sterlingfabory.com

Annexure-II to Board's Report

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

A.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Sterling Tools Limited, Entities with joint control or significant influence over entity
b)	Nature of contracts/ arrangements/ transaction	Purchase of Fasteners
c)	Duration of the contracts/arrangements/transaction	1st April, 2016 to 31st March 2019
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Purchase of fasteners from Sterling Tools Limited for an amount not exceeding Rs. 3 Crores in a particular financial year to get Job

		work activities with Sterling Tools Limited not exceeding Rs. 1 Crore in a particular financial year.
e)	Date of approval by the Board	11th May, 2016
f)	Amount paid as advances, if any	N.A.

B.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Sterling Tools Limited, Entities with joint control or significant influence over entity
b)	Nature of contracts/arrangements/transaction	Sale of Fasteners
c)	Duration of the contracts/ arrangements/ transaction	1st April, 2016 to 31st March 2019
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of fasteners to Sterling Tools Limited for an amount not exceeding Rs. 3 Crore in a particular financial year and to do Job work activities with Sterling Tools Limited not exceeding Rs. 50 lacs in a particular financial year.
e)	Date of approval by the Board	11th May, 2016
f)	Amount paid as advances, if any	N.A.

C.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Sterling Technologies Private Limited- Enterprise over which KMP can exercise significant influence.
b)	Nature of contracts/arrangements/transaction	Lease agreement
c)	Duration of the contracts/ arrangements/ transaction	1st July , 2018 to 30th June, 2021
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	The Company has taken on lease the land for office premises at a monthly lease rent of Rs. 2 lacs.
e)	Date of approval by the Board	11th May, 2016
f)	Amount paid as advances, if any	N.A.

D.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Sterling Automobiles Private Limited– Enterprise over which KMP can exercise significant influence
b)	Nature of contracts/arrangements/transaction	Service of Honda Vehicles
c)	Duration of the contracts/ arrangements/ transaction	01st April, 2018 to 31st March 2019
d)	Salient terms of the contracts or	Sterling Automobiles Pvt. Ltd. is an authorised

	arrangements or transaction including the value, if any	dealer of Honda Vehicles and the Company is having one Honda car which get serviced by Sterling Automobiles Pvt. Ltd. at arm' length basis. The total value of said transaction is financial year 2018-19 is Rs. 48957/-.
e)	Date of approval by the Board	21st May, 2019 approval for Rs. 48957/- for the period from April 2018 to March 2019. The above said transactions will be ratified by the Shareholders in upcoming AGM of the Company.
f)	Amount paid as advances, if any	N.A.

For and on behalf of Board of Directors of
Sterling Fabory India Private Limited

Atul Aggarwal
Director
DIN No. 00125825

Johan Emiel Dewandeleer
Director
DIN No. 07678900

Date: 21.05.2019
Place: Faridabad

S.R. DINODIA & Co. LLP
CHARTERED ACCOUNTANTS
K-39 Connaught Place, New Delhi-110001 INDIA
Ph. : +91-(0)11-4370 3300 Fax : +91-(0)11-4151 3666

Independent Auditor's Report

To The Members of STERLING FABORY INDIA PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sterling Fabory India Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management & Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating

S.R. DINODIA & CO. LLP CHARTERED ACCOUNTANTS effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **'Annexure A'** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As require d by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) As per the Company, in view of the MCA notification dated 13 June 2017, the Company is exempt from the requirements of clause (i) of section 143 (3) of the act and therefore the report on adequacy of internal financial controls with reference to financial statements of the company and operative effectiveness of such controls of the Company is not being made.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Dinodia & Co. LLP
Chartered Accountants,
Firm's Registration Number 001478N/N500005

S.R. DINODIA & CO. LLP CHARTERED ACCOUNTANTS

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: Faridabad
Date: 21 MAY 2019

Annexure 'A' To The Independent Auditors' Report of even date on the financial statements of Sterling Fabory India Private Limited

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2019, we report that:

i) In respect of fixed assets:

a) The company has maintained adequate records showing full particulars including quantitative details and situation of fixed assets.

b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified at regular intervals. In accordance with this programme, all fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, such periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) No immovable properties are held in the name of the company, Therefore, the provisions of clause 3(i)(c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

ii) In respect of its inventory:

a) On the basis of information and explanation provided by the management, inventories have been physically verified by the management during the year. In our opinion the frequency of physical verification followed by the management is reasonable.

b) No material discrepancies were noticed on verification between the physical stocks and the book records.

iii) (a) to (c) According to the information and explanation given to us, the company had not granted loans, secured or unsecured, to any of the Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

iv) According to the information and explanation given to us, the company has no loans, investments, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of clause 3(iv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits in contravention of any directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act.

vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014 dated December 31, 2014 to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and any other statutory dues with appropriate authorities. Further there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) According to the records of the Company examined by us and the information and explanations given to us, there were no dues of income tax or sales tax or service tax , duty of customs, duty of excise, value added tax, goods and services tax, and cess that have not been deposited on account of any dispute.

S.R. DINODIA & CO. CHARTERED ACCOUNTANTS

viii) The Company does not have any loans or borrowings from any financial institution, banks government or debenture holders during the year. Therefore, the provisions of clause 3(viii) of the Order are not applicable.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, the provisions of clause 3(ix) of the order are not applicable.

x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) The Company has not paid or provided any managerial remuneration to any director during the year. Hence the provisions of section 197 read with Schedule V to the Companies Act are not applicable to the company.

xii) The company is not a nidhi company hence the provisions of clause 3(xii) of the Order is not applicable to the Company.

xiii) During the course of our examination of the books and records of the Company, all transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc, as required by the applicable accounting standards. Further the provisions of section 177 of the Act are not applicable to the Company.

xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provision of clause 3(xiv) of the Order is not applicable to the Company.

xv) The company has not entered into any non-cash transactions with directors or persons connected with them. Hence, the provisions of clause 3(xv) of the Order are not applicable to the Company.

xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For S. R. Dinodia & Co. LLP,
Chartered Accountants,
Firm's Registration Number 001478N/N500005

S.R. DINODIA & CO. LLP CHARTERED ACCOUNTANTS

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: Faridabad
Date: 21 MAY 2019

Sterling Fabory India Private Limited
Balance Sheet As At March 31, 2019

(Currency : ₹ in lacs, except otherwise specified)

Particulars	Notes	As At March 31, 2019	As At March 31, 2018
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	28.04	30.17
(b) Other Intangible Assets	4	0.45	0.27
(c) Financial Assets			
(i) Others	5	5.22	7.00
(d) Deferred tax Assets (net)	6	22.83	26.66
(e) Other Non-Current Assets	7	1.18	-
Total Non-Current Assets		**57.72**	**64.10**
Current Assets			
(a) Inventories	8	283.15	150.65
(b) Financial Assets			
(i) Trade Receivables	9	356.43	312.25
(ii) Cash and Cash Equivalents	10	132.18	141.14
(iii) Bank Balances other than (ii) above	11	154.68	160.00
(iv) Others	12	5.52	7.66
(c) Current Tax Assets (Net)	13	4.12	1.84
(d) Other Current Assets	14	8.68	10.54
Total Current Assets		**944.76**	**784.08**
Total Assets		**1,002.48**	**848.18**
Equity And Liabilities			
Equity			
(a) Equity Share Capital	15	681.00	681.00
(b) Other Equity	16	(105.82)	(133.00)
Total Equity		**575.18**	**548.00**
Liabilities			
Non-Current Liabilities			
(a) Provisions	17	11.93	9.15
Total Non-Current Liabilities		**11.93**	**9.15**
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	18		
(A) total outstanding dues of micro enterprises and small enterprises; and		3.10	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		382.18	258.05
(b) Other current Liabilities	19	17.65	21.83
(c) Provisions	17	12.44	11.16
Total Current Liabilities		**415.37**	**291.04**
Total Liabilities		**427.30**	**300.18**
Total Equity And Liabilities		**1,002.48**	**848.18**
Significant Accounting Policies	2.3		

The accompanying notes are integral part of the financials statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP,
Chartered Accountants
Firm's Registration Number: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: Faridabad
Date: 21 MAY 2019

For and on behalf of the Board of Directors of Sterling Fabory India Private Limited

(Atul Aggarwal)
Director
DIN 00125825

(Johan Emiel Dewandeleer)
Director
DIN 07678900

(Dhaneshwar)
Company Secretary
Membership No. A45092

Sterling Fabory India Private Limited
Statement Of Profit & Loss For The Year Ended March 31, 2019

(Currency : ₹ in lacs, except otherwise specified)

Particulars	Notes	For the year ended March 31, 2019	For the year ended
I. Revenue From Operations	20	1,405.70	1,216.09
II. Other Income	21	19.58	12.45
III. **Total Income (I + II)**		**1,425.28**	**1,228.54**
IV. **Expenses**			
(a) Cost of Materials Consumed	22	-	99.30
(b) Excise Duty		-	11.88
(c) Purchase of Stock-in-Trade	23	1,092.38	719.66
(d) Changes in Inventories of Finished Products, Stock-in-Trade and Work-In-Progress	24	(145.50)	(24.58)
(e) Employee Benefits Expense	25	257.72	195.00
(f) Finance Costs	26	6.68	6.64
(g) Depreciation and Amortisation Expense	27	9.79	8.85
(h) Other Expenses	28	173.75	159.79
Total Expenses		**1,394.82**	**1,176.52**
V. **Profit/ (Loss) Before Exceptional Items and Tax (III-IV)**		**30.46**	**52.02**
VI. **Exceptional Items**		-	-
VII. **Profit/ (Loss) Before Tax (V-VI)**		**30.46**	**52.02**
VIII **Tax Expense:**	34		
Current Tax		-	-
Deferred Tax		3.46	(0.22)
Tax adjustment for earlier years		0.89	-
Total Tax Expense		**4.35**	**(0.22)**
IX. **Profit/(Loss) For The Year (VII-VIII)**		**26.11**	**52.24**
X. **Other Comprehensive Income**			
(A) (i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurement of Defined Benefit Plans		1.44	(0.71)
(ii) Income tax relating to Items that will not be reclassified to Profit or Loss		(0.37)	0.18
(B) (i) Items that will be reclassified to Profit or Loss		-	-
(ii) Income tax relating to Items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income , Net of Tax		**1.07**	**(0.53)**
XI **Total Comprehensive Income For The Year (X+XI) Comprising Profit (Loss) and Other comprehensive Income for the year**		**27.18**	**51.71**
XII **Earnings Per Equity Share: (Face Value ₹ 10 Per Share)**	35		
1) Basic (amount in ₹)		**0.38**	**0.79**
2) Diluted (amount in ₹)		**0.38**	**0.79**
Significant Accounting Policies	2.3		

The accompanying notes are integral part of the financials statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP,
Chartered Accountants
Firm's Registration Number: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: Faridabad
Date: 21 MAY 2019

For and on behalf of the Board of Directors of Sterling Fabory India Private Limited

(Atul Aggarwal)
Director
DIN 00125825

(Johan Emiel Dewandeleer)
Director
DIN 07678900

(Dhaneshwar)
Company Secretary
Membership No. A45092

Sterling Fabory India Private Limited
Statement of Cash Flows For The Year Ended March 31, 2019

(Currency : ₹ in lacs, except otherwise specified)

Particulars		For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
A. Cash Flow From Operating Activities			
Net Profit Before Tax		30.46	52.02
Adjustments for :			
Depreciation (Net)		9.79	8.85
Interest Income		(16.69)	(10.61)
Borrowing Costs		6.56	6.64
Unrealized Foreign Exchange Gain & Loss		0.44	5.56
Operation Profit Before Working Capital Changes		**30.55**	**62.46**
Adjustment For :			
(Increase)/ Decrease in Financial Assets		(40.22)	(130.58)
(Increase)/ Decrease in Other Assets		(1.60)	(7.97)
(Increase)/ Decrease in Inventory		(132.50)	6.49
Increase / (Decrease) in Financial Liabilities		126.78	60.52
Increase / (Decrease) in Other Liabilities		(5.97)	12.78
(Increase)/ Decrease in Provisions		5.50	3.10
		(48.01)	(55.66)
Net Cash Generated From Operations		**(17.46)**	**6.80**
Direct Taxes Paid(Net of Refund Received)		0.89	1.27
Net Cash From Operating Activities	(A)	**(16.57)**	**8.07**
B. Cash Flow From Investing Activities			
Purchase of Fixed Assets		(7.84)	(2.61)
Interest Received		16.69	10.61
Bank Deposits		5.32	(160.00)
Net cash Used In Investing Activities	(B)	**14.17**	**(152.00)**
C. Cash Flow From Financing Activities			
Proceeds From Issue of Share Capital		-	200.00
Borrowing Costs		(6.56)	(6.64)
Net Cash Used In Financing Activities	(C)	(6.56)	193.36
Net Increase In Cash & Cash Equivalent (A+B+C)		**(8.95)**	**49.42**
Cash And Cash Equivalents At The Begining Of The Year		141.14	91.72
Cash And Cash Equivalents At The End Of The Year		132.18	141.14

Notes:-

1. All figures in brackets are outflows.

Significant Accounting Policies 2.3

The accompanying notes are an integral part of the financials statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP,
Chartered Accountants
Firm's Registration Number: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number 083689

For and on behalf of the Board of Directors of Sterling Fabory India Private Limited

(Atul Aggarwal)
Director
DIN 00125825

(Johan Emiel Dewandeleer)
Director
DIN 07678900

Dhaneshwar

(Dhaneshwar)
Company Secretary
Membership No. A45092

Place of Signature: Faridabad
Date: 2 1 MAY 2019

Sterling Fabory India Private Limited
Statement of Changes in Equity For The Year Ended March 31, 2019

(Currency : ₹ in lacs, except otherwise specified)

(A) Equity share capital	March 31, 2019 No. of Shares in Lacs	March 31, 2019 Amount	March 31, 2018 No. of Shares in Lacs	March 31, 2018 Amount
Balance At The Beginning Of The Year	68.10	681.00	48.10	481.00
Changes In Equity Share Capital During The Year	-	-	20.00	200.00
Balance At The End Of The Year	**68.10**	**681.00**	**68.10**	**681.00**

(B) Other Equity	Reserves and surplus: Securities Premium	Reserves and surplus: Retained earnings	Total
Balance As At April 1, 2017	695.50	(880.22)	(184.72)
Profit For The Year	-	52.24	52.24
Addition During The Year	-	-	-
Remeasurement Of Defined Benefit Obligation	-	(0.53)	(0.53)
Balance As At March 31, 2018	**695.50**	**(828.50)**	**(133.00)**
Profit For The Year	-	26.11	26.11
Other Comprehensive Income/ (Loss) For The Year	-	1.07	1.07
Transactions With Owners In Their Capacity as Owners:	-	-	-
Balance As At March 31, 2019	**695.50**	**(801.31)**	**(105.81)**

Significant Accounting Policies

The accompanying notes are an integral part of the financials statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP,
Chartered Accountants
Firm's Registration Number: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: Faridabad
Date: 21 MAY 2019

For and on behalf of the Board of Directors of Sterling Fabory India Private Limited

(Atul Aggarwal)
Director
DIN 00125825

(Johan Emiel Dewandeleer)
Director
DIN 07678900

(Dhaneshwar)
Company Secretary
Membership No. A45092

Sterling Fabory India Private Limited
Notes To Financial Statements For The Year Ended March 31,2019

Note 1 : Corporate Information

Sterling Fabory India Private Limited was formed as a Joint Venture Company on 9th March 2010 and is registered with the Registrar of Companies ,National Capital Territory, Delhi & Haryana in India .The company is dealing in the sale of fasteners. The Shareholding of the company is jointly held by M/s. Sterling Tools Limited, India and M/s. Fabory Masters in Fasteners Group B.V., Netherland in the ratio of 50:50.

The financial statements are approved for issue by the Company's Board of Directors on May 21,2019.

Note2.1 : Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Stndards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

Note 2.2 : Basis of Preparation

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 and relevant presentation requirements of the Companies Act 2013. The financial statements have been prepared in accordance with the historical cost convention except for certain financial instruments that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in ₹ and all values are rounded to the nearest lacs (upto two decimals) except otherwise stated.

Note 2.3 : Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Revenue recognition and presentation

The Company assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Company has concluded that they operating on a principal to principal basis in all its revenue arrangements.

When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Company and its business partners are reviewed to determine each party's respective role in the transaction.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets:

An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
b) Held primarily for the purpose of trading
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities:
A liability is current when:
(a) It is expected to be settled in normal operating cycle
(b) It is held primarily for the purpose of trading
(c) It is due to be settled within twelve months after the reporting period, or
(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle: The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c) Uses of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets & liabilities (including contingent liabilities) at the end of the reporting period. Although these estimates are based on the managements' best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount(s) of assets or liabilities in future periods. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

d) Revenue recognition & Purchase

Sales are recognised on transfer of significant risks and rewards to the customer, which takes place on dispatch of goods from the warehouse/storage area and port respectively. The sales are accounted for net of trade discount, sales tax; sale returns.

e) Property, Plant and Equipment

Property Plant and Equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes non-refundable taxes, duties, freight, insurance, labour cost, allocable borrowing costs and other directly attributable cost to the construction / acquisition of the assets.Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Gain or loss arising on account of sale of fixed assets are measured as the difference between the net proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss in the year in which the asset is sold.

The Schedule II to the Companies Act, 2013 requires that useful life and depreciation for significant components of an asset should be determined seperately. identification of significant components is matter of judgement and decided on case to case basis on the facts and circumstances of each cases. The company capitalise these cost as a separate component of the asset with consequent expensing of net carrying value of replaced part.

Depreciation on Property Plant and Equipment is provided on straight-line method over the useful lives of assets specified in Schedule II to the Companies Act,2013. Depreciation for assets purchased / sold during a period is proportionately charged to Statement of Profit & Loss. Leasehold improvements are amortised over the lease term or the useful life of the assets.

Subsequent costs: The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred.

f) Intangible Assets

Recognition and measurement

Software which are not an integral part of related hardware, is treated as intangible asset and amortized over a period of three years or its licensed period, whichever is less.

g) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost Includes purchase price, freight inwards, custom duty and other expenditure incurred in bringing such inventories to their present location and condition but does not includes those expenditure which are subsequently recoverable by the enterprise from concerned revenue authorities. The cost is ascertained on FIFO basis.

h) Employee's Benefits

Expenses and Liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19 – Employees Benefits issued by the Company (Indian Accounting Standard) Rules, 2015.

Short Term Employee Benefits: All employees' benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus are recognized in the period in which the employee renders the related services at undiscounted amount.

Defined Contribution Plan

For Defined Contribution Retirements Benefit Schemes, payments are charged as an expense as they fall due.

Defined Benefit Plan
The cost of providing defined benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognized immediately to the extent the benefits are already vested, and otherwise is amortized on a straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Post Employment Benefit Plans
For Defined Benefit Schemes, the cost of providing benefits is determined using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

i) Foreign Currency Transactions

Initial Recognition: The transactions in foreign currency are initially accounted for at the rate prevailing as on the transaction date.

Conversion: Monetary items denominated in foreign currency are reported using the closing exchange rate on each Balance Sheet Date. Non-Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

Exchange Difference: The Exchange difference arising on the settlement of monetary items or reporting these items at rates different from rates at which these were initially recorded/ reported in previous financial statements are recognized as income/expense in the period in which they arise.

j) Taxes on Income : Tax expense comprises current and deferred tax.

Current Tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefits will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.
The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

k) Financial instruments
A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another

Financial Assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
-Debt instruments at amortised cost
-Debt instruments at fair value through other comprehensive income (FVTOCI)
-Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)
-Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost
The category applies to the Company's trade and other receivables, cash and cash equivalents, security deposits and other loans and advances, etc.
A debt instrument is measured at the amortised cost if both the following conditions are met:
(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Equity instruments
All equity investments in the scope of Ind AS 109 are measured at fair value.
For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

De-recognition
A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:
(i) The contractual rights to receive cash flows from the asset has expired, or
(ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, security deposits received etc.

Subsequent measurement
For purposes of subsequent measurement, financial liabilities are classified in two categories:
-Financial liabilities at amortised cost
-Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities at Amortized cost

Loans and borrowings

De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
(a) In the principal market for the asset or liability, or
(b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

l) Impairment of Assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of the other assets or CGUs.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

The Company's corporate assets (eg. Central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate assets belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit or loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to CGU, and then to reduce the carrying amounts of any other assets of the CGUs (or group of CGUs on a pro-rata basis.

m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized in the accounts in respect of present probable obligations arising as a result of past events and it is probable that there will be an outflow of resources, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are neither recognized nor disclosed in the financial statements.

n) Earning per share

In determining earnings per share, the company considers the net profit after tax and includes the post tax effect of any extra ordinary items.

- Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating Diluted Earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o) Leases

Accounting for operating leases- As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognised as an expense over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

p) Cash Flow Statement

The cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated as specified in Indian Accounting Standard 7 - Cash Flow Statement.

q) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Sterling Fabory India Private Limited
Notes to Financial Statements For The Year Ended March 31, 2019

(Currency : ₹ in lacs, except otherwise specified)

Note 3 : Property, Plant and Equipment

Particulars	Leasehold Imrovements (Buildings)	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Electrical Installations and Equipments	Computer System	Total
Gross Carrying Value *								
As At April 1, 2017	3.15	9.79	37.88	13.35	23.49	3.13	5.68	96.47
Add: Additions made during the year	-		-	-	2.43	-	-	2.43
Less: Disposals/adjustments during the year	-	-	-	-	-	-	-	-
As At March 31, 2018	**3.15**	**9.79**	**37.88**	**13.35**	**25.91**	**3.13**	**5.68**	**98.90**
Add: Additions made during the year	-	**0.15**	-	-	**0.17**	-	**7.10**	7.42
Less: Disposals/adjustments during the year	-	-	-	-	**0.09**	-	-	0.09
As At March 31, 2019	**3.15**	**9.94**	**37.88**	**13.35**	**25.99**	**3.13**	**12.78**	**106.23**
Depreciation and impairment								
As At April 1, 2017	3.15	3.53	19.74	8.07	19.13	1.99	4.44	60.04
Add: Depreciation charge for the year		0.68	4.01	1.75	1.42	0.30	0.53	8.69
Less: Disposals/adjustments during the year	-	-	-	-	-	-	-	-
As At March 31, 2018	**3.15**	**4.21**	**23.75**	**9.82**	**20.55**	**2.29**	**4.96**	**68.73**
Add: Depreciation charge for the year	-	0.67	4.01	1.75	1.29	0.30	1.53	**9.55**
Less: Disposals/adjustments during the year	-	-	-	-	**0.09**	-	-	**0.09**
As At March 31, 2019	**3.15**	**4.88**	**27.76**	**11.57**	**21.75**	**2.59**	**6.49**	**78.19**
Net Carrying Value As At March 31, 2018	-	**5.58**	**14.13**	**3.52**	**5.36**	**0.85**	**0.72**	**30.17**
Net Carrying Value as at 31 March 2019	-	**5.06**	**10.12**	**1.77**	**4.25**	**0.54**	**6.28**	**28.04**

* The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition.

(Currency : ₹ in lacs, except otherwise specified)

Note 4 : Other Intangible Assets

Particulars	Computer Software	Total
Gross Carrying Value*		
As At April 1, 2017	0.52	0.52
Add: Additions made during the year	0.18	0.18
Less: Disposals/adjustments during the year	-	-
As At March 31, 2018	**0.70**	**0.70**
Add: Additions made during the year	0.43	0.43
Less: Disposals/adjustments during the year		
As At March 31, 2019	**1.13**	**1.13**
Amortisation and Impairments		
As At April 1, 2017	0.27	0.27
Add: Depreciation charge for the year	0.16	0.16
Less: Disposals/adjustments during the year	-	-
As At March 31, 2018	**0.43**	**0.43**
Add: Depreciation charge for the year	0.24	**0.24**
Less: Disposals/adjustments during the year		
As At March 31, 2019	**0.67**	**0.67**
Net Carrying Value As At March 31, 2018	**0.27**	**0.27**
Net Carrying Value as at 31 March, 2019	**0.45**	**0.45**

*The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its Intangible Assets as its deemed cost as at the date of transition.

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(Currency : ₹ in lacs, except otherwise specified)

Note 5 : Non Current Financial Asset - Others	As At March 31, 2019	As At March 31, 2018
Security Deposits *	5.22	7.00
	5.22	**7.00**

* The Company has determined its security deposits not to be in the nature of loans, and accordingly have been classified as part of other finan

Note 6 : Deferred Tax Assets (Net)	As At March 31, 2019	As At March 31, 2018
Deferred tax assets		
Fixed assets: Impact of difference between Depreciation as per Income Tax Act & Depreciation/Amortization as per Companies Act	2.97	2.94
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	6.58	5.39
Unabsorbed Depreciation	11.08	18.33
Others	2.20	-
Gross deferred tax assets		
	22.83	**26.66**

Note 7 : Other Non-Current Assets	As At March 31, 2019	As At March 31, 2018
Advances other than capital advances		
Prepaid Expenses	0.01	-
Deferred Assets	1.17	-
	1.18	**-**

Note 8 : Inventories *(As taken, valued and certified by the management)*	As At March 31, 2019	As At March 31, 2018
Stock-in-Trade	287.61	145.03
Stock-in-Trade : Goods in Transit	2.91	4.87
Packing Material	1.11	0.75
	291.63	**150.65**
Less: Provisions for Slow and Non moving Inventories- Stock in Trade	8.48	-
	283.15	**150.65**

Note 9 : Trade Receivables	As At March 31, 2019	As At March 31, 2018
Trade Receivables Considered Good- Unsecured	356.43	312.25
Trade Receivables Considered Good- Secured	-	-
Trade Receivables which have significant increase in Credit Risk; and	-	-
Trade Receivables - credit impaired	-	-
	356.43	**312.25**

Note 10 : Cash and Cash Equivalents	As At March 31, 2019	As At March 31, 2018
Balances With Scheduled Banks :		
- Current Accounts	71.61	60.77
- Deposits with original maturity of three months or less	60.00	80.00
Cash on hand	0.57	0.37
	132.18	**141.14**

Note 11 : Other Bank Balances	As At March 31, 2019	As At March 31, 2018
Deposit Accounts With Original Maturity Of More Than 3 Months But Less Than 12 Months	154.68	160.00
	154.68	**160.00**

Sterling Fabory India Private Limited
Notes to Financial Statements For The Year Ended March 31, 2019
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Note 12 : Current Financial Assets - Others	**As At March 31, 2019**	**As At March 31, 2018**
Interest Accrued on FDR	5.52	7.66
	5.52	**7.66**

Note 13 : Current Tax Assets(Net)	**As At March 31, 2019**	**As At March 31, 2018**
Advance Income Tax & TDS (Net of Provision ₹ Nil, March 31, 2018 : ₹ Nil)	4.12	1.84
	4.12	**1.84**

Note 14 : Other Current Assets	**As At March 31, 2019**	**As At March 31, 2018**
Advance to Suppliers	2.21	2.11
Prepaid Expenses	1.86	5.11
Balance with Revenue Authorities	3.98	3.22
Advance to Employee	0.10	0.10
Deferred Assets	0.53	-
	8.68	**10.54**

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Sterling Fabory India Private Limited
Notes to Financial Statements For The Year Ended March 31, 2019

(Currency : ₹ in lacs, except otherwise specified)

Note 15 : Share Capital	As At March 31, 2019	As At March 31, 2018
Authorised:		
80 Lacs (March 31,2018: 80 Lacs) equity shares of ₹10/- each	800.00	800.00
Issued, Subscribed & Paid Up:		
68.10 Lacs (March 31,2018: 68.10 Lacs) equity shares of ₹10/- each	681.00	681.00
	681.00	**681.00**

a) Reconciliation of Authorised, Issued and Subscribed Share Capital:

I. Reconciliation Of Authorised Share Capital As At Year End :	March 31, 2019		March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance As At April 1, 2017	80.00	800.00	80.00	800.00
Increase/(decrease) during the year	-	-	-	-
Balance As At March 31, 2018	**80.00**	**800.00**	**80.00**	**800.00**
Increase/(decrease) during the	-	-	-	-
Balance As At March 31, 2019	**80.00**	**800.00**	**80.00**	**800.00**

II. Reconciliation of Issued and Subscribed Share Capital As At Year End :	March 31, 2019		March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the Beginning Of The Year	68.10	681.00	48.10	481.00
Add: Increase/(Decrease) During The Year	-	-	20.00	200.00
Outstanding at the End Of The Year	**68.10**	**681.00**	**68.10**	**681.00**

b) Terms/rights Attached to Equity Shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. No dividend is proposed by Board of Directors of the Company.

c) Details of shareholders holding more than 5% shares in the company

	March 31, 2019		March 31, 2018	
	No. of Shares	% holding	No. of Shares	% holding
Sterling Tools Limited	34.05	50.00%	34.05	50.00%
Fabory Masters in Fasteners Group B.V.	34.05	50.00%	34.05	50.00%

Note 16 : Other Equity	As At March 31, 2019	As At March 31, 2018
Security Premium	695.50	695.50
Retained Earnings	(801.32)	(828.50)
Total	**(105.82)**	**(133.00)**

(Currency : ₹ In lacs, except otherwise specified)

	As At March 31, 2019	As At March 31, 2018
Security Premium		
Balance At The Beginning Of The Year	695.50	695.50
Add:- Addition During The Year	-	-
Less:- Utilised During The Year	-	-
Balance At The End Of The Year	**695.50**	**695.50**

Retained Earnings	As At March 31, 2019	As At March 31, 2018
Balance at the beginning of the year	(828.50)	(880.22)
Add: Profit/Loss for the year	26.11	52.24
Add: Other Comprehensive Income during the year	1.07	(0.53)
Less: Utilised during the year	-	-
Balance At The End Of The Year	**(801.32)**	**(828.50)**

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(Currency : ₹ in lacs, except otherwise specified)

Note 17 : Provisions	March 31, 2019 Non-current	March 31, 2019 Current	March 31, 2018 Non-current	March 31, 2018 Current
Provisions For Employee Benefits				
Compensated Absences (**Refer Note No. 29**)	5.12	3.58	3.59	4.26
Gratuity (**Refer Note No. 29**)	7.32	8.35	5.56	6.90
	12.44	**11.93**	**9.15**	**11.16**

Note 18 : Trade Payables	As At March 31, 2019	As At March 31, 2018
- Total outstanding dues to micro enterprises and small enterprises	3.10	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 'a' below)	382.18	258.05
	385.28	**258.05**

(I) Trade payables to related parties amounts to ₹ 124.19 lacs as at March 31, 2019 (March 31, 2018 : ₹ 39.25 Lacs)

(II) The above amount does not include any amount due to be transferred to Investor Education & Protection Fund.

(III) As per Schedule III of the Companies Act, 2013 and as certified by the management, the amount due to Micro, small & medium enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

	Principal Amount	Interest	Total
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	3.10	-	3.10
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (whic h has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Note 19 : Other Current Liabilities	As At March 31, 2019	As At March 31, 2018
Advance From Customer	7.93	13.98
Statutory Dues Payable	9.72	7.85
	17.65	**21.83**

Note 20 : Revenue From Operations	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Sale of Products (Including Excise Duty)		
- Finished Goods	-	107.90
- Traded Goods	1,395.70	1,098.19
Other Operating Income		
- Service Income	10.00	10.00
	1,405.70	**1,216.09**

Notes : Under the Indian GAAP, Revenue from product sales was required to be presented net of excise duty. Under Indian Accounting Standard, Gross Revenue from Product Sales, inclusive of excise duty, shall be presented and the corresponding excise duty shall be presented separately as expense on the face of Statement of Profit Loss. The change had resulted in both total revenue and total expenses being increased by ₹ Nil (March 31, 2018 : ₹ 11.88 lacs).There is no impact on total equity and comprehensive income for the year.

a) Details of products sold	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Finished goods sold		
Fasteners	-	107.90
Traded goods sold		
Fasteners	1,395.70	1,098.19

Note 21 : Other Income	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Interest on		
- Fixed Deposits	16.69	10.58
- Income Tax Refund	-	0.03
- Others*	0.45	-
Miscellaneous Scrap	0.29	0.09
Sundry Balances Written Back	0.22	1.11
Miscellaneous Income	1.93	0.64
	19.58	**12.45**

* Interest Others represents interest income under effective interest rate method on security deposits at amortised cost.

Note 22 : Cost of Materials Consumed	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Raw Material At The Beginning Of The Year	-	35.61
Add : Purchases During The Year	-	63.69
Less: Raw Material At The End Of The Year	-	-
	-	**99.30**

Note 23 : Purchase of Stock-in-trade	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Purchase of Fasteners	1,092.38	719.67
	1,092.38	**719.66**

(Currency : ₹ in lacs, except otherwise specified)

Note 24 : Changes in Inventories of Finished Products, Stock-in-Trade and Work-In-Progress	**For The Year Ended March 31, 2019**	**For The Year Ended March 31, 2018**
Inventories at the beginning of the year		
- Traded Goods	145.03	120.45
	145.03	**120.45**
Inventories at the end of the year		
- Traded Goods	290.53	145.03
	290.53	**145.03**
(Increase)/ decrease in inventories	**(145.50)**	**(24.58)**

Note 25 : Employee Benefits Expense	**For The Year Ended March 31, 2019**	**For The Year Ended March 31, 2018**
Salary, Wages & Bonus	232.79	174.76
Contribution to Provident & Other Funds	14.71	9.98
Gratuity Expenses (Refer Note No. 29)	4.64	3.59
Compensatied Absences (Refer Note No. 29)	1.81	2.77
Staff Welfare Expenses	3.77	3.90
	257.72	**195.00**

Note 26 : Finance Costs	**For The Year Ended March 31, 2019**	**For The Year Ended March 31, 2018**
Other borrowing cost	6.56	6.64
Interest on delayed payment of Income Tax	0.12	-
	6.68	**6.64**

Note 27 : Depreciation	**For The Year Ended March 31, 2019**	**For The Year Ended March 31, 2018**
Depreciation expense on Property Pland and Equipment	9.55	8.69
Amortization expense on Intangibe Asets	0.24	0.16
	9.79	**8.85**

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Notes to Financial Statements For The Year Ended March 31, 2019

(Currency : ₹ in lacs, except otherwise specified)

Note 28 : Other Expenses	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Packing Materials Consumed	6.31	5.91
Job Work Charges	6.25	5.64
Electricity & Water Expenses	6.05	6.08
Rent	35.35	39.70
Repairs & Maintenance-Others	1.49	1.30
Insurance	3.91	2.83
Legal & Professional Charges	2.09	5.06
Rates and taxes	0.22	0.54
Payment to Auditors **(Refer Note (a) below)**	2.42	2.40
Travelling & conveyance expenses	15.98	12.06
Freight Outward	28.68	21.53
Communication Expenses	6.59	6.26
Watch & Ward Expenses	26.72	26.47
Bank Charges	2.11	2.28
Exchange Fluctuation (Net)	0.44	5.56
Bad Debts written off	3.29	1.57
Provision for non moving stock-in-trade	8.48	-
Miscellaneous Expenses	17.38	14.60
	173.75	**159.79**

a) Details of Payments to Auditors:		
As Auditor:		
- Statutory audit	1.50	1.50
- Tax audit	0.90	0.90
In other capacity		
- Taxation & Other Matters	-	-
- Out of pocket expenses	0.02	-
	2.42	**2.40**

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(Currency : ₹ in lacs, except otherwise specified)

Note 29 : Gratuity And Other Post-Employment Benefit Plans

a) Defined Contribution Plans

The Company makes contribution towards provident fund/ pension fund. Under the scheme, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to the defined contribution scheme.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Provident Fund	14.35	9.64
ESI Contribution	0.30	0.28
Labour Welfare Fund	0.06	0.06
Total	**14.71**	**9.98**

b) Defined benefit plans
In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, through which the Company is able to determine the present value of obligations. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation.

i) Gratuity scheme
The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

ii) Compensated absences
The Company operates compensated absences plan wherein every employee is entitled to the benefit equivalent to 26 days leave salary for every completed year of service subject to maximum 60 accumulations of leaves. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

c) The following tables summarize the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the defined benefit plan (viz. gratuity and compensated absences).Leave encashment include earned leaves and sick leaves. These have been provided on accrual basis, based on year end actuarial valuation.

	As At March 31, 2019		As At March 31, 2018	
	Gratuity (Unfunded)	Earned leave (Unfunded)	Gratuity (Unfunded)	Earned leave (Unfunded)
Change in benefit obligation				
1 Opening defined benefit obligation	12.46	7.85	9.81	6.69
2 Acquisition Adjustment	-	-	-	-
3 Add: Interest cost	0.93	0.59	0.72	0.49
4 Add: Current service cost	3.71	2.68	2.65	1.31
5 Add: Past Service cost	-	-	0.23	-
6 Less: Benefits paid	-	(0.97)	(1.65)	(1.61)
7 Add: Actuarial (gain) / loss	(1.44)	(1.46)	0.71	0.98
Present value of obligation as at the end of the year	**15.67**	**8.70**	**12.46**	**7.85**

d) The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Gratuity (Unfunded)	Earned leave (Unfunded)	Gratuity (Unfunded)	Earned leave (Unfunded)
Cost for the year included under employee benefit				
Add: Current service cost	3.71	2.68	2.65	1.31
Add: Past service cost	-	-	0.23	-
Add: Interest cost	0.93	0.59	0.72	0.49
Less: Return on plan assets	-	-	-	-
Add: Actuarial (gain) / loss	(1.44)	(1.46)	0.71	0.98
Net cost	**3.20**	**1.81**	**4.30**	**2.77**

(Currency : ₹ in lacs, except otherwise specified)

e) Changes in the fair value of the plan assets are as follows:

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Gratuity (Unfunded)	Earned leave (Unfunded)	Gratuity (Unfunded)	Earned leave (Unfunded)
Fair value of plan assets at the beginning	-	-	-	-
Add: Investment income	-	-	-	-
Add: Expected return on plan assets	-	-	-	-
Add: Employer's Contribution	-	-	-	-
Add: Employee's Contribution	-	-	-	-
Less: Benefits paid	-	-	-	-
Add: Actuarial gains / (losses) on the plan assets	-	-	-	-
Fair value of plan assets at the end	-	-	-	-

f) Detail of actuarial gain/loss recognised in OCI is as follows:

		For the year ended March 31, 2019		For the year ended March 31, 2018	
		Gratuity (Unfunded)	Earned leave (Unfunded)	Gratuity (Unfunded)	Earned leave (Unfunded)
1	Actuarial gain / (loss) for the year – obligation	(1.44)	-	0.71	-
2	Actuarial gain / (loss) for the year - plan assets	-		-	
3	**Total gain / (loss) for the year**	**(1.44)**	-	**0.71**	-
4	Actuarial gain / (loss) recognised in the year	(1.44)	-	0.71	-
5	Unrecognised actuarial gains / (losses) at the end of year	-	-	-	-

g) Principal actuarial assumptions at the balance sheet date are as follows:

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Gratuity (Unfunded)	Earned leave (Unfunded)	Gratuity (Unfunded)	Earned leave (Unfunded)
Economic assumptions				
1 Discount rate	7.50%	7.50%	7.50%	7.50%
2 Rate of increase in compensation levels	7.00%	7.00%	7.00%	7.00%
Demographic assumptions				
1 Expected average remaining working lives of employees (years)				
2 Retirement Age (years)	58	58	58	58
3 Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified)		Indian Assured Lives Mortality (2006-08) (modified)	
Withdrawal Rate				
All Ages	10% per annum	10% per annum	10.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(Currency : ₹ in lacs, except otherwise specified)

h) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Gratuity (Unfunded)	Earned leave (Unfunded)	Gratuity (Unfunded)	Earned leave (Unfunded)
Present value of obligation	15.67	8.70	12.46	7.85
Less: Fair value of plan assets	-	-	-	-
Net (assets) / liability	**15.67**	**8.70**	**12.46**	**7.85**

i) A quantitative sensitivity analysis for significant assumption as is as shown below:

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Gratuity	Earned leave	Gratuity	Earned leave
A. Discount rate				
Decrease on DBO due to 1% increase in Discount Rate	0.63	0.23	0.48	0.23
Increase on DBO due to 1% decrease in Discount Rate	0.57	0.26	0.43	0.26
B. Salary escalation rate				
Increase on DBO due to 1% increase in Salary Escalation Rate	0.63	0.26	0.48	0.26
Decrease on DBO due to 1% decrease in Salary Escalation Rate	0.57	0.24	0.43	0.24
C. Withdrawal Rate				
Effect on DBO due to 5% increase in Withdrawal Rate	-	-	-	-
Effect on DBO due to 5% decrease in Withdrawal Rate	-	-	-	-
D. Mortality rate				
Effect on DBO due to 1% increase in mortality rate	0.00	0.00	0.48	0.00
Effect on DBO due to 1% decrease in mortality rate	0.00	0.00	0.43	0.00

i) Maturity profile of defined benefit obligation is as follows:

	As at March 31, 2019		As at March 31, 2018	
	Gratuity	Earned leave	Gratuity	Earned leave
1 year	8.35	3.58	6.90	4.26
2 to 5 years	2.80	2.43	2.66	2.02
Above 5 years	4.52	2.69	2.90	1.57

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(Currency : ₹ in lacs, except otherwise specified)

Note 30: Capital Management

For the purpose of Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.
The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

	As At March 31, 2019	As At March 31, 2018
Trade Payables **(Refer Note No. 18)**	385.28	258.05
Other Payables **(Refer Note No. 19)**	17.65	21.83
Less: Cash and Cash Equivalents **(Refer Note No. 10)**	132.18	141.14
Net debt	**270.75**	**138.73**
Equity share capital **(Refer Note No. 15)**	681.00	681.00
Other equity **(Refer Note No. 16)**	(105.82)	(133.00)
Total Capital	**575.18**	**548.00**
Capital and net debt	**845.93**	**686.73**
Gearing ratio	**32%**	**20%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

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(Currency : ₹ In lacs, except otherwise specified)

Note 31 : Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments Here the disclosure is made for non-current financial assets and non-current financial liabilities, carrying value of current financial assets and financial liabilities including trade receivable, cash and cash equivalent, other bank balances, other financial assets, trade payables , current borrowing, other current financial liabilities etc. represent the best estimate of fair value
The management assessed that fair value of these short term financial assets and liabilities significantly approximate their carrying amount largely due to short term maturities of these instruments

a) Fair value of Financial Assets:

	Carrying Values		Fair Values	
Financial assets measured at amortised cost	**As At March 31, 2019**	**As At March 31, 2018**	**As At March 31, 2019**	**As At March 31, 2018**
Security Deposits	5.22	7.00	5.22	7.00
Interest Accrued on Fixed Deposits	5.52	7.66	5.52	7.66
Trade Receivable :	356.43	312.25	356.43	312.25
Cash and Cash Equivalents	132.18	141.14	132.18	141.14
Other Bank Balances	154.68	160.00	154.68	160.00
	654.03	**628.06**	**654.03**	**628.06**

b) Fair Value of Financial Liabilities:

	Carrying Values		Fair Values	
	As At March 31, 2019	**As At March 31, 2018**	**As At March 31, 2019**	**As At March 31, 2018**
Financial Liabilities Measured At Amortised Cost				
Trade payables	385.28	258.05	385.28	258.05
	385.28	**258.05**	**385.28**	**258.05**

Management has assessed that trade receivables, cash and cash equivalents, other bank balances, trade payables, Interest accrued on FDR approximate their carrying amounts largely due to the short-term maturities of these instruments.

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(Currency : ₹ in lacs, except otherwise specified)

Note 32 : Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

a) Quantitative Disclosures Fair Value Measurement Hierarchy For Assets As At March 31, 2019:

	As At March 31, 2019	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Assets Measured At Amortised Cost					
Security deposits	5.22	-	-	5.22	5.22
Interest accrued on fixed deposits	5.52	-	-	5.52	5.52
Trade Receivable:					
Trade Receivables- Considered Good	356.43	-	-	356.43	356.43
Cash and Cash Equivalents	132.18	-	-	132.18	132.18
Other Bank Balances	154.68	-	-	154.68	154.68
Total	**654.03**	**-**	**-**	**654.03**	**654.03**

b) Quantitative Disclosures Fair Value Measurement Hierarchy for Liabilities As At March 31, 2019:

	As At March 31, 2019	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Liabilities Measured at Amortised Cost					
Trade payables	385.28	-	-	385.28	385.28
Total	**385.28**	**-**	**-**	**385.28**	**385.28**

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(Currency : ₹ in lacs, except otherwise specified)

c) Quantitative Disclosures Fair Value Measurement Hierarchy for Assets As At March 31, 2018:

	As At March 31, 2018	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Assets Measured At Amortised Cost					
Loans	-	-	-	-	-
Security deposits	7.00	-	-	7.00	7.00
Interest accrued on fixed deposits	7.66	-	-	7.66	7.66
Trade Receivable:		-	-	-	-
Trade Receivables- Considered Good	312.25	-	-	312.25	312.25
Cash and Cash Equivalents	141.14	-	-	141.14	141.14
Other Bank Balances	160.00	-	-	160.00	160.00
Total	**628.05**	**-**	**-**	**628.05**	**628.05**

d) Quantitative Disclosures Fair Value Measurement Hierarchy for Liabilities As At March 31, 2018:

	As At March 31, 2018	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Liabilities Measured at Amortised					
Trade payables	258.05	-	-	258.05	258.05
Total	**258.05**	**-**	**-**	**258.05**	**258.05**

Management has assessed that trade receivables, cash and cash equivalents, other bank balances, trade payables, Security Deposits and Interest accrued on FDR approximate their carrying amounts largely due to the short-term maturities of these instruments.

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(Currency : ₹ in lacs, except otherwise specified)

Note 33: Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations.

The Company's principal financial assets includes security deposits, trade receivables, cash and cash equivalents, deposits with bank, interest accrued in deposits, receivables from related and other parties and interest accrued thereon.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior level management of these risks and is supported by Treasury department that advises on the appropriate financial risk governance framework.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk borrowings, short term deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency)

Unhedged Foreign Currency Exposure

31 March 2019	**USD**	**EUR**	**GBP**
Trade payables and other financial liabilities	0.01	0.46	0.00
Net exposure of recognised financial liabilities	**0.01**	**0.46**	**0.00**
Trade receivables	-	-	-
Net exposure of recognised financial assets	**0.01**	**0.46**	**0.00**
31 March 2018			
Trade payables and other financial liabilities	0.00	0.47	-
Net exposure of recognised financial liabilities	**0.00**	**0.47**	-
Trade receivables	-	-	-
Net exposure of recognised financial assets	**0.00**	**0.47**	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of foreign currencies against INR at the end of the year, would have affected the measurement of financial asset and financial liability denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit / (Loss)	
31 March 2019	**Strengthening**	**Weakening**
USD (5% movement)	(0.02)	0.02
EUR (5% movement)	(1.79)	1.79
GBP (5% movement)	-	-
31 March 2018		
USD (5% movement)	-	-
EUR (5% movement)	(1.89)	1.89
GBP (5% movement)	-	-

(Currency : ₹ in lacs, except otherwise specified)

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Neither past due nor impaired	Less than 30 days	30 to 90 days	90 to 180 days	More than 180 days	Total
Trade Receivables as of March 31, 2019	-	37.07	175.48	42.95	100.94	**356.43**
Trade Receivables as of March 31, 2018	-	103.31	183.36	20.65	4.92	**312.25**

ii) Financial instruments and cash

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

C. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.
The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted

As at March 31, 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	-	325.76	59.55	0.33		385.64
Total	**-**	**325.76**	**59.55**	**0.33**	**-**	**385.64**

As at March 31, 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	-	247.44	10.30	0.11	0.21	258.05
Total	**-**	**247.44**	**10.30**	**0.11**	**0.21**	**258.05**

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(Currency : ₹ in lacs, except otherwise specified)

Note 34 : Income Tax Expense

The major components of income tax expense for the year ended March 31, 2019 are:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax	-	-
Deferred tax	3.46	(0.22)
Income tax adjustment for earlier years	0.89	-
Income tax expense reported in the statement of profit or loss	**4.35**	**(0.22)**

OCI section

Deferred tax related to items recognised in OCI during the year:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Net loss/(gain) on remeasurements of defined benefit plans	0.37	(0.18)
	0.37	**(0.18)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Accounting profit before income tax	30.46	52.02
At India's statutory income tax rate of 26% (March 31, 2018 : 27.75%)	7.92	13.40
Adjustment in respect of current income tax for previous year	0.89	-
Tax Effect of Expenses not deductable for tax purposes	0.03	0.98
Other adjustments including tax rate chage	3.38	(0.79)
Tax Effect of Set off from brought forward losses	(7.87)	(13.81)
At the income tax rate of 26% (March 31, 2018 : 27.75 %)	4.35	(0.22)
Income tax expense reported in the statement of profit and loss	4.35	(0.22)
Variance	-	-

(Currency : ₹ in lacs, except otherwise specified)

Deferred tax:

Balance sheet	**As At March 31, 2019**	**As At March 31, 2018**
Deferred tax assets relates to the following:		
Defined Benefit Obligation	6.33	5.23
Unabsorbed Depreciation	11.08	18.33
Property, plant and equipment	2.97	2.94
Others	2.45	0.16
	22.83	**26.66**
Deferred tax liability	-	-
	-	-
Total deferred tax assets/(liabiities) (Net)	**22.83**	**26.66**

Statement of profit and loss	**As At March 31, 2019**	**As At March 31, 2018**
Deferred tax expense/(income):		
Defined Benefit Obligation	(1.10)	(0.13)
Unabsorbed Depreciation	7.25	-
Others	(2.29)	(0.07)
Property, Plant and Equipment	(0.03)	(0.19)
	-	-
	3.83	**(0.40)**
Deferred tax liability relates to the following :		
Property, Plant and Equipment	-	-
	-	-
Net deferred tax charge/(Income)	**3.83**	**(0.40)**
Recognised in statement of profit and loss	3.46	(0.22)
Recognised in other comprehensive income	0.37	(0.18)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Company has done accounting for taxes in accordance with IND AS 12. Probablity to realise the deferred tax assets on carry forward losses in the near future is not established, hence DTA on carried forward losses has not been created by the Company.

(Currency : ₹ in lacs, except otherwise specified)

Note 35 : Earning Per Share (EPS)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Basic/ Diluted Earning Per Share			
Profit attributable to Equity Shareholders	(A)	26.11	52.24
Weighted average equity Shares outstanding at the end of the year	(B)	68.10	66.29
Earning per share - Basic/Diluted	(A/B)	0.38	0.79

Note 36 : Leases

Operating lease commitments - Company as lessee

The company has one premises on non-cancellable operating leases. The lease is for five years with 3 years lock-in period starting from 15.06.2017. After lock in period, both parties reserve the right to terminate the agreement giving three months notice period. Future minimum lease rentals for non cancellable operating lease are as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Not Later than one year	15.30	15.30
Later than one year and not later than five years	4.46	19.76
	19.76	35.06

Note 37 : Related Party Disclosures

a) Name of the Related Parties and Description of Relationship:

Ultimate Holding company of Fabory Masters in Fasteners Group B.V	Grainger International Holdings B.V.
Joint Venturer	Sterling Tools Ltd M/s. Borstlap Master (Fasteners Group) Fabory Masters in Fasteners Group B.V
Key Management Personnel	Mr.Johan Emiel Dewandeleer - Director Mr. Ronald Ernest Baarslag - Director Mr. Anil Aggarwal – Director Mr. Atul Aggarwal – Director Mr. Dhaneswar – Company Secretary
Enterprise over which KMP can exercise significant influence	Sterling Technologies Private Limited Sterling Automobiles Private Limited Fabory Netherlands Fabory USA Grand Rapids Fabory Shanghai

b) Transactions during the year with related party

Particulars	Joint Ventures	Key Management Personnel	Enterprise over which KMP can exercise significant influence
Purchase of Fixed Assets	-	-	-
	-	-	(1.55)
Sale of Material	95.01	-	-
	(161.21)	-	(-)
Purchase of Material	245.46	-	93.20
	(53.84)	-	(84.44)
Expenses Paid	-	-	0.49
	(-)	-	(0.45)
Rent paid	-	-	19.50
	(-)	-	(24.48)
Remuneration	-	1.29	-
	(-)	(1.29)	-

*Figures in brackets represents corresponding amounts of previous years.

c) Details of Transactions With Related Parties:

Enterprise over which KMP can exercise significant influence	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Share Capital		
Sterling Tools Limited	-	100.00
M/s. Borstlap Master (Fasteners Group)	-	100.00
Purchase of Fixed Assets		
Fabory Netherlands	-	1.55
Sale of Material		
Sterling Tools Ltd	95.01	161.21
Purchase of Material		
Sterling Tools Ltd (including Goods in Transit)	245.46	53.84
Fabory Netherlands(Including Goods in transit)	92.67	83.93
Fabory Shanghai	0.54	0.25
Fabory USA Grand Rapids	-	0.26
Expenses paid		
Sterling Automobile Pvt. Ltd.- Vehicle Repairs	0.49	0.45
Rent paid		
Sterling Technologies Pvt. Ltd.	19.50	24.48
KMP- Remuneration		
Salary and Perquisites *		
- Mr. Dhaneswar :Company Secretary	1.29	1.29
Recievables/(Payables) Balances as at March 31, 2019		
Sterling Tools Ltd	(89.61)	(1.42)
Fabory Netherlands	(34.58)	(37.63)
Fabory USA Grand Rapids	-	(0.21)

Notes:

-All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash within 12 month of reporting date. There have been no guarantees provided or received for any related party payables/receivables. No expenses has been recognized in the current year in respect of bad or doubtful debts/advances and further no specific provision for doubtful debts/advances has been made in respect of outstanding balances.

* Does not include expense in respect of gratuity and compensated absences as the same is determined on an actuarial basis for the company as a whole.

Note 38 : Contingent Liability	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Contingent Liability		
C - Form liability	0.36	8.19

Note 39 : Unhedged Foreign Currency Exposure

a) Foreign currency exposure not hedged by derivative instruments or otherwise:-

Particulars	**March 31, 2019**		**March 31, 2018**	
Foreign currency exposure not hedged (Buy)	**Foreign Currency amt in Lacs**	**₹ Amount in Lacs**	**Foreign Currency amt in Lacs**	**₹ Amount in Lacs**
Euro	0.46	35.75	0.47	37.75
GBP	0.00	0.02	-	0.00
US Dollar	0.01	0.46	0.00	0.21

Note 40 : Segment Information

1. In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being done by the board of directors of the Company (which has been identified as the Chief Operating Decision Maker (CODM) who evaluates the company's performance, allocates resources based on the analysis of the various performance indicator of the company as a single unit), the operations of the Company falls under dealing in sales of fasteners, which is considered to be the only reportable segment.

2.Major Customers: Revenue from 3 customers of the Company's trading business is ₹ 503.10 lakhs (March 31, 2018 ₹ 591.01 lakhs) which is more than 10 percent of the Company's total revenue.

Note 41 : The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year.

Note 42 : Standards issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt this standard when it becomes effective.

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:
• Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
• Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.
Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
• Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
• An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The Company will adopt the standard on April 1, 2019 by using the modified retrospective transition method and accordingly comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.
Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement: On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:
• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Amendment to Ind AS 109 – Prepayment Features with Negative Compensation: The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Company does not expect this amendment to have any impact on its financial statements.

Amendment to Ind AS 23 – Borrowing Costs: The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. Company does not expect any impact from this amendment.

Amendment to Ind AS 28 – Long-term Interests in Associates and Joint Ventures: The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Company does not currently have any long-term interests in associates and joint ventures.

Amendment to Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements: The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Note 43 : In view of the management, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet as at March 31, 2019.

Note 44 : The closing balances of certain trade receivables and trade payables are subject to confirmation.

Note 45 : Figures have been rounded off to the nearest lacs except otherwise stated.

S.R. DINODIA & CO. LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of Sterling Fabory India Private Limited

(Atul Aggarwal)
Director
DIN No. 00125825

(Johan Emiel Dewandeleer)
Director
DIN 07678900

(Dhaneshwar)
Company Secretary
Membership No. A45092

Place of Signature: Faridabad
Dated: 21 MAY 2019