

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP

L-41, Connaught Circus,
Outer Circle,
New Delhi - 110 001
India

T +91 11 4500 2219
F +91 11 4278 7071

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

To the Board of Directors of Sterling Tools Limited

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of Sterling Tools Limited ('the Company') for the year ended 31 March 2025, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2025.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Statement 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Hyderabad, Indore, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



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

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. 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 effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.
 8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, 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 in place an adequate internal financial controls with reference to financial statements 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 the Board of Directors;
- Conclude on the appropriateness of the Board of Directors' 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 Statement or, if such disclosures



Walker Chandio & Co LLP

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

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; and

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. 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.
10. 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.

Other Matters


11. The Statement includes the financial results for the quarter ended 31 March 2025, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
12. The comparative financial information presented in the accompanying Statement includes financial information of Haryana Ispat Private Limited ('erstwhile wholly owned subsidiary') (hereinafter referred to as "Transferor Company") for the previous quarter ended 31 December 2024 and comparative quarter and year ended 31 March 2024, pursuant to the scheme of amalgamation between the Company and Transferor Company as explained in note 7 to the accompanying Statement. The financial information of the Transferor Company for the year ended 31 March 2024 has been audited by another firm of Chartered Accountants, S.R. Dinodia & Co. LLP, who had expressed an unmodified opinion on those financial statements vide their audit report dated 03 May 2024. Further the financial information of the Transferor Company for the quarters ended 31 December 2024 and 31 March 2024 has not been subjected to audit or review. In our opinion, and according to the information and explanations given to us by the management, such financial information for the quarters ended 31 December 2024 and 31 March 2024 is not material to the accompanying standalone financial statements.

The aforesaid financial information has been furnished to us by the management and our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid Transferor Company for year ended 31 March 2024 and quarters ended 31 December 2024 and 31 March 2024, is based solely on the audit report of such other auditor and such unreviewed/unaudited financial information, respectively which has been relied upon by us for the purpose of our audit of the accompanying Statement. Our opinion is not modified in respect of this matter.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013


Ashish Gera

Partner

Membership No. 508685

UDIN: 25508685BBIJJQ5251



Place: Faridabad

Date: 13 May 2025

Chartered Accountants



STERLING TOOLS LIMITED

Regd. Office: DJ-1210, 12th Floor, DLF Tower-B, Jasola District Centre, New Delhi – 110025
Website: stlfasteners.com, E-mail: csec@stlfasteners.com, CIN: L29222DL1979PLC009668

Part I

Standalone statement of profit and loss for the quarter and financial year ended 31 March 2025

(₹ in lakhs, except per share data)

S. No.	Particulars	Three months ended 31 March 2025	Preceding three months ended 31 December 2024	Corresponding three months ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 3 & 7)	(Unaudited) (Refer note 7)	(Refer note 3 & 7)	(Audited) (Refer note 7)	(Audited) (Refer note 7)
1	Income					
	(a) Revenue from operations	16,336.06	15,344.82	16,559.12	64,478.34	60,813.75
	(b) Other income	187.94	163.30	143.78	683.14	556.06
	Total income	16,524.00	15,508.12	16,702.90	65,161.48	61,369.81
2	Expenses					
	(a) Cost of materials consumed	6,595.37	6,275.25	7,387.58	25,392.54	25,659.28
	(b) Changes in inventories of finished goods and work-in-progress	(10.67)	127.73	(840.73)	496.90	(787.82)
	(c) Employee benefits expense	1,513.39	1,451.37	1,287.74	5,949.23	5,105.87
	(d) Finance costs	143.83	131.33	159.77	585.19	748.38
	(e) Depreciation and amortisation expenses	859.87	755.19	782.29	3,090.21	3,123.97
	(f) Other expenses	5,932.54	5,606.94	6,316.10	23,844.46	22,347.19
	Total expense	15,034.33	14,347.81	15,092.75	59,358.53	56,196.87
3	Profit before exceptional items and tax (1-2)	1,489.67	1,160.31	1,610.15	5,802.95	5,172.94
4	Exceptional items (refer note 6)	-	-	-	-	39.71
5	Profit before tax (3+4)	1,489.67	1,160.31	1,610.15	5,802.95	5,212.65
6	Tax expense					
	(a) Current tax (including earlier years)	417.51	261.02	461.63	1,489.07	1,471.26
	(b) Deferred tax	(54.01)	67.98	(49.39)	26.91	(139.22)
	Total tax expense	363.50	329.00	412.24	1,515.98	1,332.04
7	Profit for the period/year (5-6)	1,126.17	831.31	1,197.91	4,286.97	3,880.61
8	Other comprehensive income					
	(A) (i) Items that will not be reclassified to profit or loss	(419.04)	(501.59)	(386.81)	(1,183.02)	(462.65)
	(ii) Income-tax relating to items that will not be reclassified to profit or loss	56.17	95.37	97.34	231.27	116.43
	(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	-	-	-	-	-
	Other comprehensive income	(362.87)	(406.22)	(289.47)	(951.75)	(346.22)
9	Total comprehensive income for the period/year (comprising profit and other comprehensive income for the period/year) (7+8)	763.30	425.09	908.44	3,335.22	3,534.39
10	Paid-up equity share capital (face value of ₹ 2 each)	723.69	720.48	720.48	723.69	720.48
11	Other equity				45,977.87	42,244.25
12	Earnings per share*					
	(a) Basic	3.12	2.31	3.33	11.89	10.77
	(b) Diluted	3.10	2.28	3.32	11.81	10.76

* not annualised except for the year ended 31 March 2025 and 31 March 2024

See accompanying notes to the standalone annual financial results

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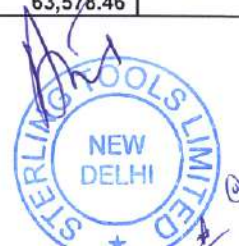
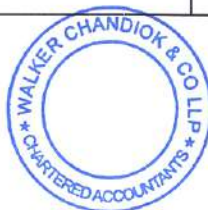
Part II

Standalone balance sheet

(₹ in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
	(Audited) (Refer note 7)	(Audited) (Refer note 7)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	25,955.29	26,250.10
(b) Capital work-in-progress	375.92	179.11
(c) Other intangible assets	38.01	22.92
(d) Financial assets		
(i) Investments	5,573.61	4,200.27
(ii) Other financial assets	539.74	528.36
(e) Income-tax assets (net)	94.65	37.08
(f) Other non-current assets	285.15	188.32
Total non current assets (I)	32,862.37	31,406.16
Current assets		
(a) Inventories	11,883.53	13,052.65
(b) Financial assets		
(i) Investments	1,502.28	-
(ii) Trade receivables	5,772.17	6,322.70
(iii) Cash and cash equivalents	652.03	768.82
(iv) Bank balances other than (iii) above	8,529.70	7,146.28
(v) Loans	4.15	9.62
(vi) Other financial assets	135.08	166.36
(c) Other current assets	2,237.15	2,568.41
Total current assets (II)	30,716.09	30,034.84
TOTAL ASSETS (I+II)	63,578.46	61,441.00
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	723.69	720.48
(b) Other equity	45,977.87	42,244.25
Total equity (III)	46,701.56	42,964.73
Liabilities		
Non current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,220.89	2,647.89
(ii) Lease liabilities	33.08	26.22
(iii) Other financial liabilities	46.25	45.76
(b) Provisions	89.65	128.78
(c) Deferred tax liabilities (net)	1,295.04	1,499.40
(d) Other non-current liabilities	718.34	737.43
Total non current liabilities (IV)	4,403.25	5,085.48
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	7,259.39	7,292.60
(ii) Lease liabilities	30.76	22.22
(iii) Trade payables		
A) Total outstanding dues of micro enterprises and small enterprises; and	1,126.76	1,042.17
B) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,134.83	2,315.18
(iv) Other financial liabilities	467.48	358.93
(b) Other current liabilities	1,232.82	2,191.48
(c) Provisions	221.61	168.21
Total current liabilities (V)	12,473.65	13,390.79
Total liabilities (IV+V)	16,876.90	18,476.27
TOTAL EQUITY AND LIABILITIES (III+IV+V)	63,578.46	61,441.00

See accompanying notes to the standalone annual financial results





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Part III

Standalone statement of cash flows

(₹ in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
	(Audited) (Refer note 7)	(Audited) (Refer note 7)
A Cash flow from operating activities		
Net profit before tax	5,802.95	5,212.65
Adjustments for:		
Depreciation and amortisation expenses	3,090.21	3,123.97
Unrealised foreign exchange (gain)/loss	(1.10)	2.38
Loss/(Profit) on disposal of property, plant and equipment (net)	43.30	(57.64)
Finance costs	585.19	768.77
Gain on termination of lease liability	(0.31)	-
Interest income	(576.05)	(416.61)
Amortisation of government grant	(167.99)	(165.12)
Gain on sale of investments	(61.13)	(33.29)
Changes in fair value of financial asset at fair value through profit or loss	(2.28)	-
Liabilities no longer required, written back	-	(9.13)
Bad debts written off	2.35	5.09
Provision for inventory	146.52	48.07
Inventory written off	35.79	-
Provision for expected credit loss	40.00	17.57
Operating profit before working capital changes	8,937.45	8,496.71
Net changes in working capital:		
Change in financial assets	538.75	140.95
Change in other assets	596.23	596.12
Change in financial liabilities	(2.00)	259.75
Change in inventories	986.81	(658.15)
Change in other liabilities	(460.04)	312.03
Change in provisions	(14.77)	(8.27)
Net cash generated from operations	10,582.43	9,139.14
Income-tax paid (net of refunds)	(1,546.64)	(1,445.33)
Net cash from operating activities (A)	9,035.79	7,693.81
B Cash flow from investing activities		
Purchase of property, plant and equipment	(3,545.69)	(1,544.93)
Proceeds from disposal of property, plant and equipment	194.55	127.64
Investment in fixed deposits	(12,323.00)	(9,890.00)
Maturity of fixed deposits	10,958.00	7,023.00
Investment in mutual funds	(11,110.00)	(6,550.00)
Redemption of mutual funds	9,671.13	7,083.37
Interest received	553.31	306.20
Investment in subsidiary company	(1,408.44)	(1.00)
Net cash used in investing activities (B)	(7,010.14)	(3,445.72)
C Cash flows from financing activities		
Proceeds from non-current borrowings	1,050.00	1,000.00
Repayment of non-current borrowings	(2,059.66)	(2,324.05)
Proceeds from issue of equity share capital	3.21	-
Dividend paid	(718.79)	(719.41)
Proceeds from/(repayment of) current borrowings (net)	554.20	(1,111.66)
Repayment of lease liabilities (inclusive of interest paid on lease liabilities ₹ 5.57 (31 March 2024 ₹ 5.19))	(37.42)	(37.89)
Interest paid	(933.98)	(745.87)
Net cash used in financing activities (C)	(2,142.44)	(3,938.88)
Net increase in cash and cash equivalents (A+B+C)	(116.79)	309.21
Cash and cash equivalents at the beginning of the year	768.82	459.61
Cash and cash equivalents at the end of the year	652.03	768.82

Components of cash and cash equivalents:

Balances with scheduled banks in current accounts	650.16	516.22
Cash on hand	1.87	2.60
Balances with banks in deposit accounts with original maturity upto three months	-	250.00

652.03 **768.82**

Note:

1. The above standalone statement of cash flows has been prepared under the 'indirect method' as set out in Ind AS 7, 'Statement of cash flows'.

See accompanying notes to the standalone annual financial results





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Notes:

1. The standalone annual financial results of Sterling Tools Limited (the 'Company') for the year ended 31 March 2025 which have been extracted from the audited standalone financial statements and have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 13 May 2025. The statutory auditors of the Company have expressed an unmodified audit opinion on these standalone annual financial results.
2. The above results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) specified under section 133 of the Companies Act, 2013, other accounting principles generally accepted in India and in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended).
3. Figures for the quarters ended 31 March 2025 and 31 March 2024 represents the balancing figures between the audited figures in respect of the full financial year and published year to date reviewed figures upto the third quarter of the years ended 31 March 2025 and 31 March 2024 respectively.
4. The Company is primarily in the business of manufacturing of fasteners (i.e. automotive components) which falls within a single business segment in terms of the Indian Accounting Standard 108 - Operating Segments and hence no additional disclosures have been furnished.
5. The Board of Directors have considered and recommended a final dividend of ₹ 2.5 per share (face value of ₹ 2 per share) [previous year- ₹ 2 per share (face value of ₹ 2 per share)] for the financial year 2024-25 which is subject to approval of the members at the ensuing Annual General Meeting.
6. Exceptional items during the year ended 31 March 2024 includes insurance claim of Rs 60.10 lakh on account of a fire incident in an earlier year at one of the Company's manufacturing facility and interest liability of Rs 20.39 lakh recognised by the Company on proposed foreclosure of authorisation license under Export Promotion Capital Goods ('EPCG') scheme.
7. The Hon'ble National Company Law Tribunal, New Delhi Bench, vide order dated 27 March 2025 ("Order"), has approved the Scheme of Amalgamation of Haryana Ispat Private Limited ('Wholly Owned Subsidiary') with Sterling Tools Limited ('Company') with effect from 01 April 2024 ("Appointed Date") and the Order was filed by the Company with the Registrar of Companies, NCT of Delhi and Haryana on 23 April 2025.

The Company has given effect to the scheme in the standalone financial results. Further, as per the requirements of Appendix C to Ind AS 103 "Business Combination", the comparative periods have been restated as if the common control business combination had occurred from beginning of the preceding period presented i.e. 01 April 2023, irrespective of the actual date of the combination. The impact of the aforesaid merger is not material to the standalone financial results.
8. Pursuant to the ESOP Plan 2023 of Sterling Tools Limited, 1,60,107 options have been granted to an employee of a subsidiary company which were vested on 31st January 2025 and were subsequently exercised by employee. Based on the Exercise Letter, Nomination and Remuneration Committee recommendation, and Board approval of Sterling Tools Limited, the equity shares have been allotted in his favor.
9. Previous period/year figures have been regrouped/reclassified, where necessary, to conform to the current period's classification. The impact of such reclassification/regrouping is not material to the standalone annual financial results.

Place: Faridabad
Date: 13 May 2025



For and on behalf of the Board of Directors



Atul Aggarwal
Managing Director
DIN: 00125825

Walker Chandiook & Co LLP

21st Floor, DLF Square
Jacaranda Marg, DLF Phase II,
Gurugram - 122 002
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To the Board of Directors of Sterling Tools Limited

Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of Sterling Tools Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), for the year ended 31 March 2025, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries as referred to in paragraph 12 below, the Statement:
 - (i) includes the annual financial results of the entities listed in Annexure 1:
 - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
 - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group, for the year ended 31 March 2025.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Statement section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.

Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Hyderabad, Indore, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



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Responsibilities of Management and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and other comprehensive income, and other financial information of the Group in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, 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 effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
5. In preparing the Statement, the respective Board of Directors of the companies included in the Group, are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing specified under section 143(10) of the Act 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 this Statement.
 8. As part of an audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, 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 Holding 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 the Board of Directors;
- Conclude on the appropriateness of Board of Directors 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 ability of the Group, 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



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

in the Statement 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 Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company, 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.
10. 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.
11. We also performed procedures in accordance with circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

12. We did not audit the annual financial statements of five subsidiaries included in the Statement whose financial information reflects total assets of ₹ 21,140.80 lakhs as at 31 March 2025, total revenues of ₹ 38,193.90 lakhs, total net profit after tax of ₹ 1,542.34 lakhs, total comprehensive income of ₹ 1,541.55 lakhs and net cash inflows of ₹ 5.46 lakhs for the year ended on that date, as considered in the Statement. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph 11 above.

Further, of these subsidiaries, one subsidiary, is located outside India, whose annual financial statements have been prepared in accordance with accounting principles generally accepted in its respective country, and which has been audited by other auditor under Singapore Standards on Auditing. The Holding Company's management has converted the financial statements of such subsidiary from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based on the audit report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.



Walker Chandiok & Co LLP

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

13. The Statement includes the consolidated financial results for the quarter ended 31 March 2025, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



Ashish Gera

Partner

Membership No. 508685

UDIN: 25508685BBIJJO4519

Place: Faridabad

Date: 13 May 2025



Walker ChandioK & Co LLP

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

Annexure 1

List of entities included in the Statement

Holding Company:

- a) Sterling Tools Limited

Subsidiaries:

- a) Sterling Gtack E-Mobility Limited,
- b) Sterling Advanced Electric Machines Private Limited,
- c) Sterling E-Mobility Private Limited (with effect from 28 June 2024),
- d) Sterling Tech-Mobility Limited (with effect from 28 June 2024), and
- e) Sterling Overseas Pte. Limited (with effect from 23 September 2024)





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Consolidated statement of profit and loss for the quarter and financial year ended 31 March 2025

Part I

(₹ in lakhs, except per share data)						
S. No.	Particulars	Three months ended 31 March 2025	Preceding three months ended 31 December 2024	Corresponding three months ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 3)	(Unaudited)	(Refer note 3)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	19,976.15	26,087.62	26,924.85	1,02,629.95	93,197.17
	(b) Other income	593.33	181.28	94.28	1,165.40	653.94
	Total income	20,569.48	26,268.90	27,019.13	1,03,795.35	93,851.11
2	Expenses					
	(a) Cost of materials consumed	9,658.92	13,220.82	14,185.28	51,495.92	49,963.49
	(b) Changes in inventories of finished goods and work-in-progress	(633.57)	123.82	338.21	(305.33)	(726.22)
	(c) Employee benefits expense	2,241.40	2,309.75	1,814.32	9,179.24	6,597.82
	(d) Finance costs	255.61	241.74	221.52	976.99	946.23
	(e) Depreciation and amortisation expenses	1,001.44	844.76	826.72	3,481.79	3,305.10
	(f) Other expenses	6,856.55	7,751.82	7,501.34	31,303.22	26,584.67
	Total expenses	19,380.35	24,492.71	24,887.39	96,131.83	86,671.09
3	Profit before exceptional items and tax (1-2)	1,189.13	1,776.19	2,131.74	7,663.52	7,180.02
4	Exceptional items (refer note 6)	-	-	-	-	39.71
5	Profit before tax (3+4)	1,189.13	1,776.19	2,131.74	7,663.52	7,219.73
6	Tax expense					
	(a) Current tax (including earlier years)	389.03	374.21	607.13	1,956.29	1,958.85
	(b) Deferred tax	(81.07)	42.00	(100.43)	(122.08)	(275.62)
	Total tax expense	307.96	416.21	506.70	1,834.21	1,683.23
7	Profit for the period/year (5-6)	881.17	1,359.98	1,625.04	5,829.31	5,536.50
8	Other comprehensive income					
	(A) (i) Items that will not be reclassified to profit or loss	(418.73)	(502.01)	(390.60)	(1,183.97)	(464.34)
	(ii) Income-tax relating to items that will not be reclassified to profit or loss	56.12	95.44	97.98	231.43	116.72
	(B) (i) Items that will be reclassified to profit or loss	(0.08)	(0.10)	-	(0.19)	-
	(ii) Income-tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Other comprehensive income	(362.69)	(406.67)	(292.62)	(952.73)	(347.62)
9	Total comprehensive income for the period/year (comprising profit and other comprehensive income for the period/year) (7+8)	518.48	953.31	1,332.42	4,876.58	5,188.88
10	Profit for the period attributable to					
	(a) Owners of the Holding Company	881.17	1,359.98	1,625.04	5,829.31	5,536.50
	(b) Non controlling interests	-	-	-	-	-
11	Other comprehensive income/(loss) attributable to					
	(a) Owners of the Holding Company	(362.69)	(406.67)	(292.62)	(952.73)	(347.62)
	(b) Non controlling interests	-	-	-	-	-
12	Total comprehensive income/(loss) attributable to					
	(a) Owners of the Holding Company	518.48	953.31	1,332.42	4,876.58	5,188.88
	(b) Non controlling interests	-	-	-	-	-
13	Paid-up equity share capital (face value of ₹ 2 each)	723.69	720.48	720.48	723.69	720.48
14	Other equity				49,243.75	43,990.37
15	Earnings per share*					
	(a) Basic	2.44	3.78	4.51	16.17	15.37
	(b) Diluted	2.42	3.73	4.51	16.05	15.35

* not annualised except for the year ended 31 March 2025 and 31 March 2024

See accompanying notes to the consolidated annual financial results





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Part II

Consolidated balance sheet

(₹ in lakhs)

Particulars	As at 31 March 2025 (Audited)	As at 31 March 2024 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	31,711.23	27,675.57
(b) Capital work-in-progress	724.02	476.16
(c) Other intangible assets	194.38	86.76
(d) Intangible assets under development	578.73	206.52
(e) Financial assets		
(i) Investments	-	1,153.98
(ii) Other financial assets	654.99	541.90
(f) Deferred-tax assets (net)	420.51	271.34
(g) Income-tax assets (net)	149.41	70.14
(h) Other non-current assets	1,097.26	380.63
Total non current assets (I)	35,530.53	30,863.00
Current assets		
(a) Inventories	17,405.79	17,910.27
(b) Financial assets		
(i) Investments	1,502.28	-
(ii) Trade receivables	6,544.76	8,964.74
(iii) Cash and cash equivalents	2,350.27	2,460.58
(iv) Bank balances other than (iii) above	12,427.23	8,038.78
(v) Loans	11.78	10.40
(vi) Other financial assets	67.48	166.65
(c) Other current assets	3,228.35	2,863.15
Total current assets (II)	43,537.94	40,414.57
TOTAL ASSETS (I+II)	79,068.47	71,277.57
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	723.69	720.48
(b) Other equity	49,243.75	43,990.37
Total equity (III)	49,967.44	44,710.85
Liabilities		
Non current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,468.03	3,124.75
(iia) Lease liabilities	1,565.14	122.34
(ii) Other financial liabilities	46.25	45.76
(b) Provisions	1,654.37	1,232.08
(c) Deferred tax liabilities (net)	1,295.07	1,499.40
(d) Other non-current liabilities	718.34	737.43
Total non current liabilities (IV)	8,747.20	6,761.76
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	10,276.63	8,476.60
(iia) Lease liabilities	197.61	29.64
(ii) Trade payables		
A) Total outstanding dues of micro enterprises and small enterprises; and	1,217.47	1,072.63
B) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,013.34	6,450.80
(iii) Other financial liabilities	678.43	497.35
(b) Other current liabilities	1,990.72	2,564.63
(c) Provisions	979.63	713.31
Total current liabilities (V)	20,353.83	19,804.96
Total liabilities (IV+V)	29,101.03	26,566.72
TOTAL EQUITY AND LIABILITIES (III+IV+V)	79,068.47	71,277.57

See accompanying notes to the consolidated annual financial results





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Part III

Consolidated statement of cash flows

(₹ in lakhs)

Particulars	Year ended 31 March 2025 (Audited)	Year ended 31 March 2024 (Audited)
A Cash flow from operating activities		
Net profit before tax	7,663.52	7,219.73
Adjustments for:		
Depreciation and amortisation expenses	3,481.79	3,305.10
Unrealised foreign exchange loss/(gain)	17.81	(1.63)
Loss/(Profit) on disposal of property, plant and equipment (net)	41.22	(30.31)
Finance costs	976.99	912.05
Gain on termination of lease liability	(0.31)	-
Interest income	(712.87)	(460.57)
Amortisation of government grant	(167.99)	(165.12)
Gain on sale of investments	(61.13)	(33.29)
Changes in fair value of financial asset at fair value through profit or loss	(2.28)	-
Liabilities no longer required, written back	(2.11)	(9.13)
Loss on fair value of forward contracts	-	8.23
Unwinding of discount on deposits	(0.73)	-
Bad debts written off	2.35	5.09
Provision for warranty	2,275.08	789.32
Provision for inventory	2,555.32	1,577.40
Inventory written off	35.79	-
Employee share based payments	1,118.88	199.69
Provision for expected credit loss	114.91	17.57
Operating profit before working capital changes	17,336.24	13,334.13
Net changes in working capital:		
Change in financial assets	2,234.35	(896.21)
Change in other assets	(180.47)	802.21
Change in financial liabilities	(1,223.10)	1,448.71
Change in inventories	(2,086.63)	(3,146.04)
Change in other liabilities	(75.38)	636.90
Change in provisions	(1,616.45)	19.40
Net cash generated from operations	14,388.56	12,199.10
Income-tax paid (net of refunds)	(2,035.56)	(2,035.97)
Net cash from operating activities (A)	12,353.00	10,163.13
B Cash flow from investing activities		
Purchase of property, plant and equipment	(7,576.20)	(2,917.57)
Proceeds from disposal of property, plant and equipment	222.43	88.51
Investment in fixed deposits	(15,291.51)	(9,933.09)
Maturity of fixed deposits	10,958.00	7,023.00
Investment in mutual funds	(11,110.00)	(6,550.00)
Redemption of mutual funds	9,671.13	7,083.37
Interest received	653.59	331.91
Net cash used in investing activities (B)	(12,472.56)	(4,873.87)
C Cash flows from financing activities		
Proceeds from non-current borrowings	2,383.27	1,667.60
Repayment of non-current borrowings	(2,354.47)	(2,324.05)
Proceeds from issue of equity share capital	3.21	-
Dividend paid	(718.79)	(719.41)
Proceeds from /(repayment of) current borrowings (net)	2,112.11	(1,001.36)
Repayment of lease liabilities (inclusive of interest paid on lease liabilities ₹ 103.67 (31 March 2024 ₹ 12.65))	(173.67)	(37.89)
Interest paid	(1,222.94)	(873.81)
Share issue expenses	(19.28)	-
Net cash used in financing activities (C)	9.44	(3,288.92)
Net increase in cash and cash equivalents (A+B+C)	(110.12)	2,000.34
Cash and cash equivalents at the beginning of the year	2,460.58	460.24
Exchange fluctuation translation difference	(0.19)	-
Cash and cash equivalents at the end of the year	2,350.27	2,460.58

Components of cash and cash equivalents:

Balances with scheduled banks in current accounts	737.45	2,204.63
Cash on hand	2.67	5.95
Balances with banks in deposit accounts with original maturity upto three months	1,610.15	250.00
	2,350.27	2,460.58

Note:

1. The above consolidated statement of cash flow has been prepared under the 'indirect method' as set out in Ind AS 7, 'Statement of cash flows'.

See accompanying notes to the consolidated annual financial results





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Notes:

1. The consolidated annual financial results of Sterling Tools Limited ('the Company') and its subsidiaries (collectively 'the Group') for the year ended 31 March 2025 have been extracted from the audited consolidated financial statements and have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 13 May 2025. The statutory auditors of the Group have expressed an unmodified audit opinion on these consolidated annual financial results.
2. The above results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) specified under section 133 of the Companies Act, 2013, other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended).
3. Figures for the quarters ended 31 March 2025 and 31 March 2024 represents the balancing figures between the audited figures in respect of the full financial year and published year to date reviewed figures upto the third quarter of the years ended 31 March 2025 and 31 March 2024 respectively.
4. The Group is primarily in the business of manufacturing of automotive components which falls within a single business segment in terms of the Indian Accounting Standard 108 - Operating Segments and hence no additional disclosures have been furnished.
5. The Board of Directors of the Company have considered and recommended a final dividend of ₹ 2.5 per share (face value of ₹ 2 per share) [previous year- ₹ 2 per share (face value of ₹ 2 per share)] for the financial year 2024-25 which is subject to approval of the members at the ensuing Annual General Meeting.
6. Exceptional items during the year ended 31 March 2024 includes insurance claim of Rs 60.10 lakh on account of a fire incident in an earlier year at one of the Company's manufacturing facility and interest liability of Rs 20.39 lakh recognised by the Company on proposed foreclosure of authorisation license under Export Promotion Capital Goods ('EPCG') scheme.
7. The Hon'ble National Company Law Tribunal, New Delhi Bench, vide order dated 27 March 2025 ("Order"), has approved the Scheme of Amalgamation of Haryana Ispat Private Limited ("Wholly Owned Subsidiary") with Sterling Tools Limited ("Company") with effect from 01 April 2024 ("Appointed Date") and the Order was filed by the Company with the Registrar of Companies, NCT of Delhi and Haryana on 23 April 2025.
8. Pursuant to the ESOP Plan 2023 of Sterling Tools Limited, 1,60,107 options have been granted to an employee of a subsidiary company which were vested on 31st January 2025 and were subsequently exercised by employee. Based on the Exercise Letter, Nomination and Remuneration Committee recommendation, and Board approval of Sterling Tools Limited, the equity shares have been allotted in his favor.
9. Previous period/year figures have been regrouped/reclassified, where necessary, to conform to the current period's classification. The impact of such reclassification/regrouping is not material to the consolidated annual financial results.

Place: Faridabad
Date: 13 May 2025



For and on behalf of the Board of Directors



Atul Aggarwal
Managing Director
DIN: 00125825