

STERLING TOOLS LIMITED

CIN : L29222DL1979PLC009668

WORKS : 5-A DLF Industrial Estate
Faridabad - 121 003 Haryana India
Tel : 91-129-227 0621 to 25/225 5551 to 53
Fax : 91-129-227 7359
E-mail : sterling@stlfasteners.com
website : stlfasteners.com



<u>Through NEAPS</u>	<u>By Listing Centre</u>
National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (E) Mumbai-400051	The Secretary BSE Limited 25 th Floor, P. J. Towers Dalal Street, Mumbai – 400001
Trading Symbol: STERTOOLS	Scrip Code: 530759

Date: 26th June 2025**Sub: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI Listing Regulations, we hereby submit the details of the Show Cause Notice ("the Notice") received by the Company from the Additional Commissioner CGST, Audit Commissionerate, Dehradun. The Company will be filing appropriate response to the said Notice within the prescribed timelines.

The details as required under Schedule III to the SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024, are enclosed as Annexure A.

The date of receipt of the Notice is June 25, 2025.

This is for your information and records.

Yours truly,
For **STERLING TOOLS LIMITED**


Pankaj Gupta
Chief Financial Officer

Encl: As above

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**Annexure A**

Details as required to be given as per Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024

Sr. No.	Particulars	Details
1	Brief details of litigation viz. name(s) of the opposing party, court/tribunal/agency where litigation is filed, brief details of dispute/litigation.	<p>The Company has received a Show Cause Notice from the Additional Commissioner, CGST, Audit Commissionerate, Dehradun, in relation to:</p> <ul style="list-style-type: none"> (i) alleged short payment of GST due to the classification adopted on supply of goods, (ii) interest liability on GST paid on supplementary invoices issued on account of price variation, and (iii) alleged excess availment of IGST Input Tax Credit as compared to the figures reflected in GSTR-2B.
2	Expected financial implications, if any, due to compensation, penalty etc.	<p>The Show Cause Notice has been issued proposing a demand of GST amounting to (i) Rs. 9,77,76,311/- on account of alleged short payment of GST due to the classification adopted for supply of goods, (ii) Rs. 1,59,706/- towards interest liability on GST paid on supplementary invoices issued for price variation, and (iii) Rs. 18,625/- on account of alleged excess availment of Input Tax Credit, along with applicable interest and penalties.</p> <p>The classification adopted by the Company is consistent with established classification principles and supported by judicial precedents on similar products. Further, similar proceedings in other States have been dropped at the initial stage by the respective authorities. With regard to the interest on supplementary invoices, the Company firmly believes that no such liability arises.</p> <p>The Company firmly believes that it maintains strong legal and factual grounds in this matter and will be taking all necessary actions to present and defend its case before the relevant authorities and address the demand, there is no material financial impact at this stage.</p>
3	Quantum of claims, if any	As mentioned in point no. 2 above.