



STERLING TOOLS LIMITED

CIN : L29222DL1979PLC009668

Regd. Office: DJ-1210, 12th floor, DLF Tower -B, Jasola District Centre, New Friends Colony, Delhi- 110025

Corporate Office: Plot No. 4, DLF Industrial Estate, Faridabad-121003, Haryana

E-mail: csec@stlfasteners.com, Website: www.stlfasteners.com

Tel: 91 129 2270621-25 / **Fax :** 91 129 2277359

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended]

Dear Member(s),

NOTICE is hereby given, pursuant to Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with Rule 20 and 22 of Companies (Management and Administration) Rules, 2014 (“**the Rules**”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, and subsequent circulars issued from time to time, the latest amended by General Circular No. 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as (“**MCA Circulars**”)) and other applicable provisions of the Listing Regulations, relevant circulars as issued by the Securities and Exchange Board of India (referred as (“**SEBI Circulars**”)), Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (“**SS-2**”) and any other applicable law, rules and regulations, including any statutory modification or re-enactment thereof for the time being in force, that the Resolution appended below is proposed to be passed as a Special Resolution by the Members of Sterling Tools Limited (“**Company**”) through Postal Ballot by remote e-voting process only (“**remote e-voting**”).

In compliance with the provisions of the MCA Circulars and SEBI Circulars, this Postal Ballot Notice (“**Notice**”) is being sent by the Company via electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participants (‘DP’)/Depository/ Registrar & Share Transfer Agent of the Company as on the cut-off date i.e. **Friday, 22nd May, 2026**. Accordingly, physical copy of this Notice along with Postal Ballot Forms and pre-paid business reply envelope are not being sent to the members for this Postal Ballot.

Further, the assent/ dissent of the Members on the resolution proposed in this Notice will be considered only through the remote e-voting system. Explanatory statement pursuant to Section 102 of the Act setting out the material facts pertaining to said resolution and instructions for remote e-voting are annexed to this Notice.

Members desirous to exercise their vote through remote e-voting are requested to carefully read the instructions indicated in this Notice and record their assent (**FOR**) or dissent (**AGAINST**) by following the procedure as stated in the Notes forming part of the Notice not later than 5:00 P.M. (IST) on **Friday, 26th June, 2026**. The e-voting facility will be disabled by NSDL immediately thereafter and will not be allowed beyond the said date and time.

The members who have not registered their names can register the same as per the instructions given in the Notice.

Commencement of E-Voting	Thursday, 28th May, 2026, 9:00 A.M.
Conclusion of E-Voting	Friday, 26th June, 2026, 5:00 P.M.

The Board of Directors of the Company at its meeting held on Friday, 15th May, 2026 had appointed Mr. Santosh Kumar Pradhan, Practicing Company Secretary (C.P. No. 7647) as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.



The Scrutinizer will submit his report to the Chairman of the Company or any other person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot along with Scrutinizer's report would be intimated to National Stock Exchange of India Ltd and BSE Ltd, where the Equity shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website www.stlfasteners.com and on the website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com within two working days from the conclusion of remote e-voting.

SPECIAL BUSINESS:

Appointment of Mr. Anish Agarwal (DIN: 07056465) as Whole Time Director of the Company and payment of remuneration thereof:

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (“**the Act**”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company, and as recommended by the Nomination and Remuneration Committee and the Board of Directors, the approval of Members of the Company be and is hereby accorded for the appointment of Mr. Anish Agarwal (DIN: 07056465), Non-Executive Director, as the Whole Time Director of the Company, liable to retire by rotation, for a period of 5 (five) years with effect from 15th May, 2026 to 14th May, 2031, on such terms and conditions including payment of remuneration for a period of 3 (three) years w.e.f 1st July, 2026, as set out in the explanatory statement annexed hereto, which shall be deemed to form part thereof with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or remuneration as the Board of Directors may deem fit and as may be agreed upon with Mr. Anish Agarwal within the overall approved limits and in compliance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained herein, where in any financial year during the tenure of Mr. Anish Agarwal as Whole Time Director, the Company has no profits or its profits are inadequate, the Company shall pay Mr. Anish Agarwal (DIN: 07056465), the above remuneration as minimum remuneration i.e., within the overall approved limits.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board
For Sterling Tools Limited**

**Pragya Saxena
Company Secretary
M. No. F9640**

**Date: 15th May 2026
Place: Faridabad
Registered Office:
Unit No. DJ-1210 , 12th floor, DLF Tower -B
Jasola District Centre, New Delhi-110025**

NOTES:

1. The Explanatory Statement pursuant to Section 102 read with Section 110 and other applicable provisions, as amended, of the Companies Act, 2013 (“the Act”) setting out all material facts in respect of the resolution contained in the Notice is appended and forms part of this Notice.
2. Pursuant to the provisions of Section 110 read with Section 108 of the Act and the Rules made thereunder and the MCA Circulars, your Company has an option to seek approval of the Members through Postal Ballot (via remote e-voting only), instead of getting the same passed at the General Meeting. Accordingly, if the resolution is approved by the Members through Postal Ballot via remote e-voting, it shall be deemed to have been passed as if the same has been passed at a duly convened General Meeting.
3. **A. Dispatch of Postal Ballot Notice through electronic mode**

In compliance with the MCA Circulars, the Notice is being sent by electronic mode only to those members whose names appears in the Register of Members/ List of Beneficial Owners maintained by the Registrar and Share Transfer Agent (“RTA”)/ Depositories respectively as at closure of business hours on **Friday 22nd May, 2026 (“the cut-off date”)** and whose e-mail IDs are registered with the Company/ Depository Participants (‘DP’)/Depository/ Registrar & Share Transfer Agent of the Company. As per the MCA Circulars, physical copy of the Notice, postal ballot forms and pre-paid business reply envelopes are not being sent to members for this Postal Ballot. Members are requested to provide their assent (FOR) or dissent (AGAINST) through remote e- voting only. Further, the members who have not registered their email IDs can get the same registered in the manner provided in this Notice.

B. Registration of Email ID

Members are requested to register their email ID permanently by following the procedure as mentioned below:

 - (i) Members holding shares in physical mode are requested to send Form ISR-1, SH-13, ISR-2 (in case of signature mis-match with Company’s record) to the registered office of the Registrar and Share Transfer Agent (‘RTA’) of the Company i.e. MAS Services Ltd, T-34, 2nd Floor, Okhla Industrial Area Phase-II, New Delhi-110020 for receiving the Postal Ballot Notice, remote e-voting instructions and User ID & Password.
 - (ii) Members holding shares in demat form are requested to register/update their email IDs with their Depository Participant (“DP”) and generate password as per procedure given in e-voting instructions as below.
 - (iii) Members whose names appears in the Register of Members/ List of Beneficial Owners as on the cut-off date i.e. **Friday 22nd May, 2026** are eligible to e-vote on the resolution set forth in this Notice of Postal Ballot.

For any queries in this regard send an e-mail request at investor@masserv.com.
4. The Notice is also placed on the website of the Company i.e., www.stlfasteners.com and the website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com and at the relevant sections of the websites of the stock exchanges on which the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com. Further, any member seeking the copy of this notice may write at csec@stlfasteners.com.
5. In compliance with the provisions of Sections 108 and 110 of the Act, read with the Companies (Management and Administration) Rules, 2014 (“the Rules”) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Company is pleased to offer e-voting facility to its Members, to enable them to cast their votes electronically. The Company has appointed National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com for facilitating e-voting to enable the members to cast their votes electronically (hereinafter referred to as the “Remote e-voting”). The instructions for remote e-voting are provided as part of this Notice and the members are requested to read the instructions carefully before casting their vote(s).



6. Pursuant to the provisions of Section 110, the MCA Circulars and other applicable provisions, if any, of the Act read with the Rules made thereunder, the assent (**FOR**) or dissent (**AGAINST**) of the Members in respect of the resolution contained in this Notice is being taken through remote e-voting only.
7. The remote e-voting period commences on **Thursday, 28th May, 2026** from 9:00 A.M (IST) and ends on **Friday, 26th June, 2026** at 05:00 P.M.(IST). During this period, the Members, whose names appear in the Register of Members /Beneficial Owners as on the cut-off date i.e., **Friday, 22nd May, 2026** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The voting right of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, being, **Friday, 22nd May, 2026**. Once vote on resolution is casted, the shareholder shall not be allowed to change it subsequently. A person who is not a member as on the cut-off date should treat this Notice for information only.
8. The Board of Directors have appointed Mr. Santosh Kumar Pradhan (C.P. No. 7647), Practicing Company Secretary, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.
9. The Scrutinizer, after the conclusion of remote e-voting, scrutinize the votes cast through remote e- voting and submit his report to the Chairman or any person authorised by him, who shall countersign the same and declare results of the Postal Ballot/e-voting at the Corporate Office of the Company within two working days from the conclusion of remote e-voting and the same, along with the Scrutinizer's Report, will be placed on the website of the Company www.stlfasteners.com and the website of NSDL (www.evoting.nsdl.com) immediately after the declaration of result by the Chairman and in his absence, any Director/officer of the Company authorised by the Chairman and the same will also be communicated to BSE Limited and the National Stock Exchange of India Limited i.e. www.bseindia.com and www.nseindia.com, respectively.
10. The Resolution as mentioned in the notice shall be deemed to have been passed on **Friday, 26th June, 2026** being the last date for e-voting. The Company will place the results of the Postal Ballot on the website of the Company at www.stlfasteners.com and at its registered office as well as the corporate office.
11. All documents referred to in the accompanying Notice and the statement under Section 102 of the Act, shall be open for inspection during normal business hours i.e. from 10:00 A.M. to 05:00 P.M. on all working days until the last working day specified for casting votes through remote e-voting. Members desirous for inspection may send the request at csec@stlfasteners.com.
12. As required by Rule 20 and 22 of Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing Regulations, the details pertaining to this postal ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one Hindi newspaper.
13. The Members are requested to read the instructions carefully and complete the remote e-voting.

INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E- VOTING

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system




The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. For OTP based login you can click on https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and will also be able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option & you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.



6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to santosh@kritiadvisory.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Limited at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to csec@stlfasteners.com .
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**By Order of the Board
For Sterling Tools Limited**

**Pragya Saxena
Company Secretary
M. No. F9640**

Date: 15th May 2026

Place: Faridabad

Registered Office:

**Unit No. DJ-1210 , 12th floor, DLF Tower -B
Jasola District Centre, New Delhi-110025**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory statement sets out all material facts relating to the Special Business as mentioned in the accompanying Notice:

Mr. Anish Agarwal was appointed as the Non-Executive Non-Independent Director of the Company w.e.f. 1st February, 2024 and his appointment was confirmed by the Shareholders on 26th April, 2024 through Postal Ballot Notice dated 26th March, 2024.

Mr. Anish Agarwal has over 16 years of experience in the field of the automobile business and other allied services related to the automobile sector. Mr. Agarwal holds a Manufacturing and Mechanical Engineering degree from the University of Warwick, as well as an MBA from Imperial College Business School in London. He is a third-generation entrepreneur engaged in the business of developing and manufacturing products for the automotive industry in India. He has played a prime role in establishing the Bangalore facility for the company. He is actively involved in the new Business opportunities both from new Product Development and adoption of new Technology for the Sterling Group, indicating a forward-looking approach and adaptability to industry trends. He is designated as Board Member on various other Sterling Group Companies.

Mr. Anish Agarwal has been associated with the Company and has played a significant role in guiding the strategic decisions and growth of the Company. In view of his experience, industry knowledge and continued involvement, the Board considered it appropriate to entrust him with executive responsibilities and accordingly, approved his appointment as Whole-Time Director of the Company.

The Board of Directors of the Company, at its meeting held on Friday, 15th May 2026, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Anish Agarwal (DIN: 07056465), as the Whole-Time Director (WTD) designated as Executive Director of the Company.

The remuneration proposed for a period of three years, starting from 1st July, 2026 to 30th June, 2029, together with the remuneration payable to the other executive directors of the Company, is likely to result in the overall managerial remuneration exceeding the limit of eleven per cent (11%) of the net profits of the Company, as computed in accordance with the provisions of Sections 197 and 198 read with Schedule V of the Act and such net profits may be deemed inadequate for the purpose of calculation of the limits.

Remuneration Proposed: The details of remuneration proposed to be paid to Mr. Anish Agarwal, as Whole Time Director are set out as below:

- a. **Basic Salary (Including HRA):** ₹ 96,00,000/- (Rupees Ninety Six Lacs) per annum.
- b. **Perquisites and allowances:** ₹ 4,00,000/- (Rupees Four Lacs) per annum.
The perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.
- c. **Reimbursement of Expenses:** Expenses incurred for travelling, boarding and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance/medical expenses incurred, surgery in India or abroad as well as travelling cost including for their respective family members shall be reimbursed at actuals and not considered as perquisites.
- d. **Club Fees:** Fees of clubs including admission and life membership fees shall not be considered as perquisite.
- e. **Personal Accident Insurance:** For self with a sum insured upto ₹ 50 Lacs P.A.
- f. **Gratuity:** Fifteen days salary for each completed year of service.
- g. **Provident Fund and Superannuation Fund:** Contribution to Provident Fund and Superannuation Fund in accordance with the Company's Policy.
- h. **General:**
 - (i) The Whole Time Director shall be liable to retire by rotation and he will perform his respective duties as such with regard to the Company, manage and attend to such business and to carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.



- (ii) The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to the duties of directors.
- (iii) The Whole Time Director shall adhere to the Company's Code of Conduct for Directors and Management Personnel of the Company.

Further, pursuant to Regulation 17(6)(e) of the Listing Regulations, the remuneration payable to executive directors, who are promoters or members of the promoter group shall be subject to the approval of the Members by way of Special Resolution, in the event that:

- (i) the annual remuneration payable to such executive director exceeds ₹5 crore or 2.5% of the net profits of the listed entity, whichever is higher; or
- (ii) where there is more than one such director, the aggregate annual remuneration payable to all such directors exceeds 5% of the net profits of the listed entity.

In terms of Section 197 read with Schedule V of the Act and Regulation 17(6)(e) of the Listing Regulations, remuneration in excess of the aforesaid limits may be paid to managerial personnel upon approval of the Members by way of a Special Resolution, for a period not exceeding three years.

Your Board considers that his association would be of immense benefit to the Company. Hence, the consent of the Members is sought to pass the Special Resolution, as outlined in the Notice dated 15th May, 2026, for the appointment of Mr. Anish Agarwal as a Whole Time Director of the Company and for payment of remuneration as set out.

Mr. Anish Agarwal has confirmed that he is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013. He has further confirmed that he is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India or any other statutory authority, and the Company has also received his consent for appointment as Whole Time Director, liable to retire by rotation. The requisite details pursuant to the provisions of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are set out in Annexure I to the Explanatory Statement, and the necessary disclosures as required under Schedule V of the Companies Act, 2013 are provided in Annexure II for the approval of the shareholders.

Except Mr. Anil Aggarwal, Mr. Akhill Aggarwal and Mr. Anish Agarwal, none of the Directors, Key Managerial Personnel of the Company or their relatives is/ are in any way, concerned or interested financially or otherwise in the resolution set out in the Notice.

The other relatives of Mr. Anish Agarwal may be deemed to be interested in the resolution set out in the Notice, to the extent of their shareholding interest, if any, in the Company.

This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board recommends the Special Resolution set out in the Notice for approval by the Members.

**By Order of the Board
For Sterling Tools Limited**

**Pragya Saxena
Company Secretary
M. No. F9640**

**Date: 15th May, 2026
Place: Faridabad**

**Registered Office:
Unit No. DJ-1210 , 12th floor, DLF Tower -B
Jasola District Centre, New Delhi-110025**

ANNEXURE I

Details of Director seeking appointment through the postal ballot Notice dated 15th May, 2026 (Pursuant to Regulation 36(3) of the SEBI (LODR) regulations, 2015 and Secretarial Standards are as follows):

Name	Mr. Anish Agarwal	
DIN	07056465	
Age	36 Years	
Qualification and Experience (including expertise in specific functional area) / Brief Resume	Mr. Anish Agarwal, a third-generation entrepreneur, brings a wealth of expertise in developing and manufacturing products for the automotive industry. Holding degrees from the University of Warwick and Imperial College Business School, London, he supervises new initiatives at Sterling Tools Limited and plays a crucial role as a Director and Board observer in Sterling E-Mobility Solutions Limited.	
Skills and Capabilities	Detailed in the Explanatory Statement	
Date of first appointment on the Board	1 st February, 2024	
Directorships held in other companies	<ol style="list-style-type: none"> 1. Sterling E-Mobility Solutions Limited 2. Sterling Tech-Mobility Limited 3. Sterling E-Mobility Private Limited 4. Jaycee Automobiles Private Limited 5. Sterling Automobiles Private Limited 6. Sheeva Connected India Private Limited 7. Sterling Technologies Private Limited 8. Classic Magnetics Private Limited 9. Sterling E-Powertrain Private Limited 10. Sterling Advanced Electric Machines Pvt. Ltd. 11. Sterling Overseas Pte. Ltd. 	
Resignations from the Listed Companies in the past three years	Nil	
Chairman / member of the Committee of the Board of Directors of the Company as on date of Appointment	Nil	
Memberships/ Chairmanships of committees of other companies	Nil	
Number of Equity Shares held in the Company	2737317 Equity Shares of ₹ 2/- each.	
Relationship between Directors and other KMPs inter-se	<ul style="list-style-type: none"> • Son of Chairman & Whole Time Director - Mr. Anil Aggarwal • Brother of Whole Time Director - Mr. Akhill Aggarwal 	
Number of meetings of the Board, Audit Committee and the Stakeholders' Relationship Committees attended during the last financial year (FY 2025-26)	Meeting	No.
	Board Meeting	5
	Audit Committee	Not a member
	Stakeholders' Relationship Committees	Not a member
Remuneration (including sitting fees, if any) last drawn in financial year (FY 2025-26)	Nil	
Remuneration proposed to be paid and Terms and conditions of Appointment/Re-appointment	Detailed in the Explanatory Statement	

**By Order of the Board
For Sterling Tools Limited**

**Pragya Saxena
Company Secretary
M. No. F9640**

Date: 15th May 2026
Place: Faridabad
Registered Office:
Unit No. DJ-1210 , 12th floor, DLF Tower -B
Jasola District Centre, New Delhi-110025

Annexure II



Disclosure required under Schedule V to the Company Act, 2013 is given below:

I GENERAL INFORMATION:

1. **Nature of Industry:** Manufacturing of cold forged, High tensile fasteners.
2. **Date or expected date of commencement of Commercial production:** The Company is in commercial production since the year 1979.
3. **In case of new Company, expected date of commencement of activities as per project approved by Financial Institutions appearing in prospectus:** N.A.
4. **Financial performance:** (in ₹ Lacs)

Particulars	2023-24	2024-25	2025-26
Total Income	61,369.81	65,161.48	72,587.32
Less: Expenses	56,196.87	59,358.53	65,182.67
Profit before exceptional items & tax	5,172.94	5,802.95	7,404.65
Less: exceptional items	39.71	0.00	949.64
Profit before tax	5,212.65	5,802.95	8,354.29
Less: Current tax	1,471.26	1,489.07	2,114.35
Deferred tax	(139.22)	26.91	(180.27)
Net Profit after tax	3,880.61	4,286.97	6,420.21

5. **Foreign Investment or collaborations, if any:** N.A.

II INFORMATION ABOUT THE DIRECTOR:

S. No.	Particulars	Mr. Anish Agarwal						
1.	Background Details	Detailed Profile is attached Annexure-I.						
2.	Past Remuneration for last 3 years	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">FY 2023-24</td> <td style="width: 50%;">Nil</td> </tr> <tr> <td>FY 2024-25</td> <td>Nil</td> </tr> <tr> <td>FY 2025-26</td> <td>Nil</td> </tr> </table>	FY 2023-24	Nil	FY 2024-25	Nil	FY 2025-26	Nil
FY 2023-24	Nil							
FY 2024-25	Nil							
FY 2025-26	Nil							
3.	Recognition or Awards	Nil						
4.	Job profile and his suitability	As attached in Annexure I						
5.	Remuneration proposed	As stated in the Explanatory Statement set out in Notice.						
6.	Comparative remuneration profile with respect of industry, size of Company, profile of the position and person	Considering the size of the company, the work profile and the responsibilities to be handled by Mr. Anish Agarwal, and in accordance with industry standards, the proposed remuneration is in line with the compensation drawn for similar positions in companies of similar size and scale.						
7.	Pecuniary relationship directly or indirectly with the Company or the relationship with the Managerial Personnel or other director, if any	The directors' shareholding details and relationships are provided in Annexure I, as per Regulation 36(3) of the SEBI (LODR) regulations, 2015, in this Notice.						

III. OTHER INFORMATION:

1. **Reasons for loss or inadequate profits:** At present the Company is earning profits which may be deemed inadequate for the purpose of limits of managerial remuneration.
2. **Steps taken or proposed to be taken for improvement:** The Company is taking all necessary steps and implementing appropriate measures to increase its revenue and achieve higher profitability by broadening and diversifying its customer base.
3. **Expected increase in productivity and profits in measurable terms:**
The Company is very conscious about improvement in productivity and undertakes constant measures to improve it and we foresee continuous improvement in profit margin in future.

**By Order of the Board
For Sterling Tools Limited**

**Pragya Saxena
Company Secretary
M. No. F9640**

Date: 15th May 2026

Place: Faridabad

Registered Office:

Unit No. DJ-1210, 12th floor, DLF Tower -B

Jasola District Centre, New Delhi-110025