



# STERLING TOOLS LIMITED

CIN No.: L29222DL1979PLC009668

Regd. Office: Unit No. 515, DLF Tower A,  
Jasola District Centre, New Delhi-110025

Corporate Office: Plot No. 4, D L F Industrial Estate, Faridabad-121003

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

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

## Notice for the Annual General Meeting

Notice is hereby given that the Forty First Annual General Meeting of the Members of **Sterling Tools Limited** will be held on Friday, 25<sup>th</sup> September, 2020 at 10:30 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business(s):

### Ordinary Business

#### 1. Adoption of Accounts

To receive, consider and adopt the Standalone & Consolidated Financial Statements containing the Balance Sheet as at 31<sup>st</sup> March 2020 and the Profit and Loss Account for the financial year ended on that date alongwith the Cash Flow Statements, Notes & Schedules appended thereto together with the Directors' Report and Auditors' Report thereon and in this regard, to consider and if thought fit, to pass with or without modification (s), the following resolutions as **Ordinary Resolutions**:

- a) **"RESOLVED THAT** Pursuant to the provisions of Section 134 of the Companies Act, 2013, the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
- b) **"RESOLVED THAT** Pursuant to the provisions of Section 134 of the Companies Act, 2013, the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

#### 2. Ratification of payment of Interim Dividend

To confirm & ratify the payment of Interim Dividend of 100% for the Financial Year 2019-2020 as Final Dividend for the said Financial Year and in this regard, to consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 123 of the Companies Act, 2013, the payment of Interim Dividend declared & paid @100% by the Board of Directors in their meeting held on 2<sup>nd</sup> August, 2019, be and is hereby confirmed & ratified as Final Dividend for Financial Year 2019-2020."

#### 3. Reappointment of Retiring Director

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

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Atul Aggarwal (DIN 00125825), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

### Special Business

#### 4. To ratify the remuneration of the Cost Auditors for the Financial Year 2020-2021:

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of the Cost Auditors viz. M/s Jitender, Navneet & Co., Cost Accountants appointed by the Board of Directors of the Company on the recommendations of the Audit Committee, to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2021, be and is hereby ratified as set out in the Statement annexed to the Notice convening this Meeting.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### 5. Regularization of appointment of Shri Shailendra Swarup (DIN No. 00167799) as an Independent Director of the Company:

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 and other applicable provisions of the Companies Act, 2013 read with rules made there under, Shri Shailendra Swarup (**DIN 00167799**) who was appointed as an Additional Director in the meeting of the Board of Directors held on 17<sup>th</sup> December, 2019 and in respect of whom the Company has received a notice in writing proposing his candidature, be and is hereby appointed as Director of the Company, not liable to retire by rotation.”

“**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

**6. Approval of remuneration payable to Shri Jaideep Wadhwa (DIN No. 00410019), Non-Executive Non-Independent Director, during the Financial Year ending March 31, 2021 which is expected to exceed 50% of the total annual remuneration payable to all Non-Executive Directors for the said year:**

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the amended Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the approval of the Company be and is hereby accorded to the payment of remuneration by way of advisory fee of Rs. 5 Lacs per month, to Shri Jaideep Wadhwa, Non-Executive Non-Independent Director during the financial year ending March 31, 2021, exceeding 50% (Fifty Percent) of the total annual remuneration payable to all the Non-Executive Directors of the Company for the said year.”

“**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

**7. Re-appointment and payment of remuneration to Shri Anil Aggarwal, Chairman Cum Managing Director of the Company:**

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

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) approval of the Company be and is hereby accorded to the re-appointment of Shri Anil Aggarwal (DIN:00027214) as Chairman Cum Managing Director of the Company, for a period of 5 (five) years with effect from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026, liable to retire by rotation on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as the Board may deem fit and as may be acceptable to Shri Anil Aggarwal.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**8. Re-appointment and payment of remuneration to Shri Atul Aggarwal, Whole Time Director of the Company:**

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

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) approval of the Company be and is hereby accorded to the re-appointment of Shri Atul Aggarwal (DIN:00125825) as Whole Time Director of the Company, for a period of 5 (five) years with effect from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026, liable to retire by rotation on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as the Board may deem fit and as may be acceptable to Shri Atul Aggarwal.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

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

**Date: 10<sup>th</sup> August, 2020  
Place: Faridabad**

**Registered Office:  
Unit No. 515, DLF Tower A  
Jasola District Centre,  
New Delhi-110025**

**(Vaishali Singh)  
Company Secretary  
Membership No. A15108  
House No. 466, Second Floor  
Ashoka Enclave Part-III  
Faridabad-121003**

## NOTES:

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Special Business under Item Nos. 4 to 8 of the accompanying Notice is annexed hereto.
3. **GENERALLY, A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER. SINCE THIS AGM IS BEING HELD THROUGH VC / OAVM PURSUANT TO THE MCA CIRCULARS, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED HERETO.**
4. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. In terms of Article 89 of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Shri Atul Aggarwal, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his respective re-appointment. The relevant details as required by Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges of the person seeking re-appointment as the director under Item No. 3 are annexed herewith.

## DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

6. **In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.** Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website [www.stlfasteners.com](http://www.stlfasteners.com), websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. **The AGM Notice can also be assessed from the website of NSDL (Agency for providing the Remote E-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).**
7. For receiving all communications (including Annual Report) from the Company electronically –

In case you have not registered your email ID with the Company/ Depository, please follow below instructions to register your email ID for obtaining annual report for FY 2019-2020 and login details for e-voting.

<b>Physical Holding</b>	<p>Send a signed request letter to Registrar and Transfer Agents of the Company, MAS Services Limited at <a href="mailto:info@masserv.com">info@masserv.com</a> providing Folio number, Name of the 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) for registering email address with subject line (REGISTER EMAIL ID FOLIO-NO (MENTION FOLIO NO) OF STERLING TOOLS LTD.</p> <p>Please send your bank detail with original cancelled cheque to our RTA (i.e. MAS Services Limited, T-34 2<sup>nd</sup> Floor, Okhla Industrial Area Phase-II, New Delhi-10020 alongwith letter mentioning folio no if not registered already.</p>
<b>Demat Holding</b>	<p>Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.</p>

## 8. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called ‘the Rules’ for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 18<sup>th</sup> September, 2020 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

The remote e-voting period begins on Monday, 21<sup>st</sup> September, 2020 at 9:00 A.M. and ends on Thursday, 24<sup>th</sup> September, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

**How do I vote electronically using NSDL e-Voting system?**

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

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsd.com/>**

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

**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.nsd.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 ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password 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.nsd.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. Your password details 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.nsd.com](http://www.evoting.nsd.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - 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.

**Details on Step 2 is given below:**

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Sterling Tools Limited for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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 goyalsify11@gmail.com with a copy marked to evoting@nsdl.co.in.
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 toll free no.: 1800-222-990 or send a request to Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Sterling Tools Limited will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [csec@stlfasteners.com](mailto:csec@stlfasteners.com) on or before 21<sup>st</sup> September, 2020.

6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [csec@stlfasteners.com](mailto:csec@stlfasteners.com). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

#### **D General Instructions**

- i. The Board of Directors of the Company has appointed Shri A. K. Goyal, Practicing Company Secretary (FCS No.1565, C-7461) or failing him Shri Santosh Kumar Pradhan, Practicing Company Secretary (FCS No.6973, C-7647, as Scrutinizer to scrutinize the remote e-voting and Insta Poll process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.
- ii. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- iii. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.stlfasteners.com](http://www.stlfasteners.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the Bombay Stock Exchange and National Stock Exchange.
- iv. **Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the meeting, i.e. Friday, 25<sup>th</sup> September, 2020.**

#### **PROCEDURE FOR INSPECTION OF DOCUMENTS:**

9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [csec@stlfasteners.com](mailto:csec@stlfasteners.com).
10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 21<sup>st</sup> September, 2020 through email on [csec@stlfasteners.com](mailto:csec@stlfasteners.com). The same will be replied by the Company suitably.

#### **IEPF RELATED INFORMATION:**

11. Pursuant to the provisions of Section 205A (5) and 205 (c) of the Companies Act, 1956, read with Section 125 of the Companies Act, 2013 followed by the issue of Investor Education & Protection Fund (Awareness and Protection of the Investors) Rules, any dividend transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to a fund called the Investor Education and Protection Fund (the fund) set up by the Central Government.
12. Accordingly, unpaid / unclaimed dividend for the Financial Year 2011-2012 has already been transferred in the said fund on 15<sup>th</sup> October, 2019 and for the Financial Year 2012-2013 Interim will be transferred on or before 30<sup>th</sup> September, 2020 respectively and for the financial year 2013-2014 will be transferred on or before 31<sup>st</sup> March, 2021. No claim shall lie thereafter against the fund or the company in respect of such amounts transferred. Shareholders are therefore requested to verify their records and send claims, if any, for the relevant years from 2013-2014 onwards, before the respective amounts become due for transfer to the fund. The following are the details of the dividends declared by the Company and respective last dates for claiming by the shareholders:

<b>Dividend Year</b>	<b>Date of declaration of dividend</b>	<b>Last Date for claim</b>
2013-2014 Interim	22/01/2014	01/03/2021
2014-2015 Interim	11/08/2014	18/09/2021
2015-2016 Interim	04/08/2015	11/09/2022
2015-2016 Interim	08/02/2016	15/03/2023
2015-2016 Interim	14/03/2016	21/04/2023
2016-2017 Interim	08/08/2016	15/09/2023
2016-2017 Interim	11/02/2017	18/03/2024
2017-2018 Interim	07/09/2017	14/10/2024
2017-2018 Interim	13/02/2018	20/03/2025
2018-2019 Interim	11/08/2018	18/09/2025
2019-2020 Interim	02/08/2019	09/09/2026

Those members who have not so far claimed their dividend for the Financial Year 2013-2014-interim, 2014-2015-Interim, 2015-2016-Interim, 2015-2016-Interim, 2015-2016-Interim, 2016-2017-Interim, 2016-2017-Interim, 2017-2018-Interim, 2017-2018-Interim, 2018-2019-Interim and 2019-2020-Interim are requested to make their claims to the Company for obtaining duplicate dividend warrants.

13. (a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2017-18, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. October 31, 2017. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <http://www.stlfasteners.com/> Investors. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).
- (b) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact MAS Services Limited for lodging claim for refund of shares and / or dividend from the IEPF Authority.

#### **OTHER INFORMATION:**

14. SEBI has decided that securities of listed companies can be transferred only in dematerialized form from 1<sup>st</sup> April, 2019. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialize shares held by them in physical form.
15. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form should submit their PAN to the RTA of the Company/Company.
16. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares in the individual name are advised to avail of the nomination facility by filing Form No. SH-13 in their own interest. A blank form can be had from MAS Services Limited on request. Members holding shares in dematerialized form may contact their respective DP's for registration of nomination.
17. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
18. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
19. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
20. The Register of Members and Share Transfer Books of the Company will be closed from 19<sup>th</sup> September, 2020 to 25<sup>th</sup> September, 2020 (both days inclusive) in connection with the ensuing Annual General Meeting.
21. The requirement to place the matter relating to appointment of Auditors for ratification by Members at every Annual General Meeting has been done away with vide notification dated May 7, 2018, issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on September 28<sup>th</sup> September, 2017 for a term of 5 years.
22. The Company has designated an exclusive e-mail ID called [csec@stlfasteners.com](mailto:csec@stlfasteners.com) for redressal of shareholders' / investors' complaints / grievances. In case you have any queries / complaints or grievances, then please write to us at the above e-mail address.
23. Members holding shares in electronic form may please note that the bank account details and 9-digit MICR code of their Bankers, as noted in the records of their depository, shall be used for the purpose of remittance of dividend through Electronic Clearing Service (ECS), or for printing on dividend warrants wherever applicable. Members are therefore requested to update their bank account particulars, change of address and other details like email address with their respective Depository Participants for shares held in Demat mode and to the Registrar and Share Transfer Agent for shares held in physical form.
24. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
25. In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the Rules), the Items of Business given in AGM Notice may be transacted through electronic voting system and the Company is providing remote e-voting facility to the members who are the members as on 18<sup>th</sup> September, 2020 (End of Day) being the "Cut-off Date" fixed for the purpose, to exercise their right to vote at the 41<sup>st</sup> AGM by electronic means through the remote e-voting platform provided by National Securities Depository Limited (NSDL).
26. For any further details in this regard, you may contact MAS Services Limited, RTA of the Company located at T-34, Okhla Industrial Area, Phase-II, New Delhi-110020 (011-26387281) or Sterling Tools Limited, Share Department, Plot No. 4, DLF Industrial Estate, Faridabad-121003 (0129-2270621) or NSDL (1800-222-990).

**Details of Director seeking appointment / re-appointment in the Annual General Meeting scheduled on Friday, 25<sup>th</sup> September, 2020 (Pursuant to Regulation 36(3) of the SEBI (LODR) regulations, 2015 and Secretarial Standards are as follows:**

<b>Name of Director</b>	<b>Shri Anil Aggarwal</b>	<b>Shri Atul Aggarwal</b>	<b>Shri Shailendra Swarup</b>
Date of Birth	07/05/1958	26/03/1964	20/11/1944
Expertise in Specific Functional Areas	Production	Finance & Marketing	Corporate Lawyer and has also been practicing as an Advocate in the Delhi High Court
Qualification	B. Com.	M.B.A	Bachelor's degree in Arts and is also a law graduate
Board Membership of other Public Limited Companies as on 31 <sup>st</sup> March, 2020	NIL	NIL	J K Paper Limited Jagran Prakashan Limited GFL Limited Gujarat Fluorochemicals Limited Bengal & Assam Company Limited Subros Limited Inox Infrastructure Limited The India Thermit Corporation Limited
Chairman / member of the Committee of the Board of Directors as on 31 <sup>st</sup> March, 2020	Audit Committee – Member Share Transfer Committee – Member CSR Committee – Chairman	Stakeholders Relationship Committee – Member Share Transfer Committee – Member CSR Committee – Member	NIL
Chairman / member of the Committee of Directors of the other Companies in which he is a Director as on 31 <sup>st</sup> March, 2020. a. Audit Committee b. Stakeholders Relationship Committee c. Other Committees	NIL	NIL	Gujarat Fluorochemicals Limited Inox Infrastructure Limited The India Thermit Corporation Limited Audit Committee – Member
<b>Number of Shares held of Sterling Tools Limited</b>	8035583	8648455	NIL
<b>Experience</b>	44 Yrs	31 Yrs.	54 Years
<b>Term and Conditions of appointment / re-appointment and details of remuneration sought to be paid</b>	Basic Salary Rs. 121.89 Lacs p.a., Perquisite & Allowances Rs. 5 Lacs p.a., Commission 1% of profit., Other terms and conditions as approved by shareholders vide their special resolution dated 28 <sup>th</sup> September, 2017	Basic Salary Rs. 115.50 Lacs p.a., Perquisite & Allowances Rs. 5 Lacs p.a., Commission 1% of profit., Other terms and conditions as approved by shareholders vide their special resolution dated 28 <sup>th</sup> September, 2017	Sitting fee Rs. 25,000 per Board Meeting/ Committee Meeting
Relationship with other Directors / members and other KMP	Brother of Whole Time Director – Atul Aggarwal Father of Non-Executive Director – Akhill Aggarwal	Brother of Chairman Cum Managing Director	N.A.

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

**Date: 10<sup>th</sup> August, 2020  
Place: Faridabad  
Registered Office:  
Unit No. 515, DLF Tower A  
Jasola District Centre,  
New Delhi-110025**

**(Vaishali Singh)  
Company Secretary  
Membership No. A15108  
House No. 466, Second Floor  
Ashoka Enclave Part-III  
Faridabad-121003**



## **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:

### **Item No. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors-M/s Jitender, Navneet & Co., Cost Accountants to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2021 at an Annual Fee of Rs. 1.05 plus Taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and their relatives, is concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Ordinary Resolution set out at Item no. 4 for the approval of Members.

### **Item No. 5**

The Board of directors of the Company in their meeting held on 17<sup>th</sup> December, 2019 has appointed Shri Shailendra Swarup as an Additional Director of the Company and Shri Shailendra Swarup holds office of the Director till the conclusion of this Annual General Meeting.

Accordingly, in terms of the requirements of the provisions of Section 161 of the Companies Act, 2013 approval of the members of the Company is required for regularization of Shri Shailendra Swarup as Director of the Company.

Mr. Shailendra Swarup, aged 75 years, holds a Bachelor's degree in Arts and is also a law graduate. He is a Corporate Lawyer and has also been practicing as an Advocate in the Delhi High Court and the Supreme Court for over 54 years. He is acting as an Independent Director on the Board of various listed as well as unlisted entities. Mr. Swarup was a Member of the Task Force on Corporate Governance constituted by the Confederation of Indian Industry. He was a member of Ganguly Committee constituted by the Reserve Bank of India in the year 2002 on Corporate Governance of public sector Banks and financial institution with particular emphasis of role of Independent Directors. Further details pursuant to Regulations 36(3), 26(4) and other applicable regulations of the Listing Regulations and Secretarial Standard-2 on General Meetings are set out in the Annexure to this Notice.

The Board is of the opinion that his continuation as an Independent Director would be of immense benefit to the Company.

Except for Shri Shailendra Swarup, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the resolution set forth in Item no.5 for the approval of the members.

### **Item No. 6**

Mr. Jaideep Wadhwa (DIN 00410019) has been appointed as Non-Executive Non-Independent Director through postal ballot on March 27, 2019 at an Annual advisory fee of Rs. 60 lacs.

As per the amended regulation 17(6) (ca) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 effective from 01<sup>st</sup> April, 2019, the approval of shareholders by special resolution shall be obtained every year wherein the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors.

Since Mr. Jaideep Wadhwa is getting an advisory fee of Rs. 60 lacs annually for advising the Company by providing Strategic guidance to achieve domestic as well as international business development by the Company and to support the Company to diversify and develop new business avenues and whereas the other Non-Executive Directors are getting only the sitting fees for attending the Board as well as Committee meetings.

Thus the remuneration by way of said advisory fee which is paid to Mr. Jaideep Wadhwa exceed 50% (Fifty Percent) of the total remuneration payable to all the Non-Executive Directors of the company for the Financial Year 2020-2021.

Except Shri Jaideep Wadhwa, being the interested Director, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the resolution set forth in Item no.6 for the approval of the members.

### **Item No. 7**

Shri Anil Aggarwal was re-appointed as Managing Director by the Shareholders in their Annual General Meeting held on 28<sup>th</sup> September, 2017, designated as Chairman Cum Managing Director in the Board Meeting held on 2<sup>nd</sup> August, 2019, for a period of 3 years w.e.f. 1<sup>st</sup> April, 2018. His term will expire on 31<sup>st</sup> March, 2021.

Shri Anil Aggarwal is 62 years of age and is a Graduate in Commerce & has 44 years of rich experience of manufacturing, Accounts, Projects and Quality functions and is presently in charge of the entire manufacturing operations and Strategic Sourcing function. He is largely responsible for building up abiding business relationships with OEM's like Maruti Udyog limited, Hero Honda, Honda Motorcycle and Scooters India Limited, Eicher, Punjab Tractors, Tafe, Telco etc. He has satisfactorily handled the production corporate planning/corporate finance/general administration functions since the inception of the Company. He is also the member of the Share Transfer Committee and the Nomination Remuneration Committee of the Company.

In recognition of his excellent performance and to enable the Company to continue to benefit from his stewardship, the Human Resources Nomination Remuneration Committee has recommended his re-appointment as Chairman Cum Managing Director of the Company with the emoluments and the terms as given below. The Board has also approved the re-appointment of Mr. Anil Aggarwal as Chairman Cum Managing Director for a period of 5 years with effect from 1<sup>st</sup> April, 2021, subject to the approval of shareholders at the ensuing Annual General Meeting.

The requisite information as stipulated in Schedule V of the Companies Act, 2013 is as furnished below:

**Remuneration Proposed:** The details of remuneration payable to Shri Anil Aggarwal, as Chairman Cum Managing Director are set out as below:

**a. Basic Salary (Including HRA)**

Rs. 1,62,00,000 per annum with a fixed increment of 15% P.A on cumulative basis.

**b. Perquisites and allowances**

Rs. 6,50,000 per annum with a fixed increment of 15% P.A. on Cumulative basis.

The perquisites and allowances, as aforesaid, shall include accommodation (furnished or therewith) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation 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. Commission**

Commission in addition to Basic Salary, Perquisites and other allowances, benefits or amenities at the rate of 1% of the net profits of the Company in a particular financial year as computed in the manner referred to in section 196 of the Companies Act, 2013.

**d. Reimbursement of Expenses:**

Expenses incurred for travelling, board 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

**e. Club Fees:** Fees of clubs including admission and life membership fees shall not be considered as perquisite.

**f. Personal Accident Insurance:** For self with a sum insured of Rs. 50 Lacs P.A.

**g. Gratuity:** Fifteen days salary for each completed year of service.

**h. Provident Fund and Superannuation Fund:** Contribution to Provident Fund and Superannuation Fund in accordance with the rules of the Company.

**General:**

- (i) The Chairman Cum Managing Director shall be liable to retire by rotation and he will perform his respective duties as such with regard to all work of the Company and he will manage and attend to such business and 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 Chairman Cum Managing 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 duties of directors.
- (iii) The Chairman Cum Managing Director shall adhere to the Company's Code of Conduct for Directors and Management Personnel.

Shri Anil Aggarwal is not disqualified from being appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Anil Aggarwal under Section 190 of the Act. Brief resume of Shri Anil. Aggarwal, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as required pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India is provided in the Corporate Governance Report forming part of this Annual Report..

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Anil Aggarwal for his re-appointment as Chairman Cum Managing Director of the Company.

Shri Anil Aggarwal, Shri Atul Aggarwal and Shri Akhill Aggarwal are interested in the resolutions set out respectively at Item No. 7 of the Notice, which pertain to respective re-appointment and remuneration payable to him.

The other relatives of Shri Anil Aggarwal may be deemed to be interested in the resolutions set out respectively at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out at item no. 7 for approval by the shareholders.

**Item no. 8**

Shri Atul Aggarwal was re-appointed as Whole Time Director by the Shareholders in their Annual General Meeting held on 28<sup>th</sup> September, 2017 for a period of 3 years w.e.f. 1<sup>st</sup> April, 2018. His term will expire on 31<sup>st</sup> March, 2021.

Shri Atul Aggarwal is 56 years of age and is a master in Business Administration (MBA) from UNC Kanan Flagler Business School, Chappel Hill, USA and has 31 years of rich experience of Marketing / Sales, Accounts, Projects and Quality functions and is presently in charge of the entire Marketing & Finance operations and Strategic Sourcing function.

He has handled his various responsibilities with dedication and high degree of competence. He is also the member of Share Transfer Committee, Stakeholders' Relationship Committee and Special Invitee of the Audit Committee.

In recognition of his excellent performance and to enable the Company to continue to benefit from his stewardship, the Human Resources Nomination Remuneration Committee has recommended his re-appointment as Whole Time Director of the Company with the emoluments and the terms as given below. The Board has also approved the re-appointment of Mr. Atul Aggarwal as Whole Time Director for a period of 5 years with effect from 1<sup>st</sup> April, 2021, subject to the approval of shareholders at the ensuing Annual General Meeting.

The requisite information as stipulated in Schedule V of the Companies Act, 2013 is as furnished below:

Remuneration Proposed: The details of remuneration payable to Shri Atul Aggarwal, as Whole Time Director are set out as below:

**a. Basic Salary (Including HRA)**

Rs. 1,56,00,000 per annum with a fixed increment of 15% P.A on cumulative basis.

**b. Perquisites and allowances**

Rs. 6,50,000 per annum with a fixed increment of 15% P.A. on Cumulative basis.

The perquisites and allowances, as aforesaid, shall include accommodation (furnished or therewith) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation 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. Commission**

Commission in addition to Basic Salary, Perquisites and other allowances, benefits or amenities at the rate of 1% of the net profits of the Company in a particular financial year as computed in the manner referred to in section 196 of the Companies Act, 2013.

**d. Reimbursement of Expenses:**

Expenses incurred for travelling, board 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

**e. Club Fees:** Fees of clubs including admission and life membership fees shall not be considered as perquisite.

**g. Personal Accident Insurance:** For self with a sum insured of Rs. 50 Lacs P.A.

**i. Gratuity:** Fifteen days salary for each completed year of service.

**j. Provident Fund and Superannuation Fund:** Contribution to Provident Fund and Superannuation Fund in accordance with the rules of the Company.

**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 all work of the Company and he will manage and attend to such business and 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 duties of directors.

(iii) The Whole Time Director shall adhere to the Company's Code of Conduct for Directors and Management Personnel.

Shri Atul Aggarwal is not disqualified from being appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Atul Aggarwal under Section 190 of the Act. Brief resume of Shri Atul Aggarwal, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as required pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India is provided in the Corporate Governance Report forming part of this Annual Report.

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Atul Aggarwal for his re-appointment as Whole Time Director of the Company.

Shri Atul Aggarwal, Shri Anil Aggarwal and Shri Akhill Aggarwal are interested in the resolutions set out respectively at Item No. 8 of the Notice, which pertain to respective re-appointment and remuneration payable to him.

The other relatives of Shri Atul Aggarwal may be deemed to be interested in the resolutions set out respectively at Item No. 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out at item no. 8 for approval by the shareholders.

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

**Date: 10<sup>th</sup> August, 2020**

**Place: Faridabad**

**Registered Office:  
Unit No. 515, DLF Tower A  
Jasola District Centre,  
New Delhi-110025**

**(Vaishali Singh)  
Company Secretary  
Membership No. A15108  
House No. 466, Second Floor  
Ashoka Enclave Part-III  
Faridabad-121003**

