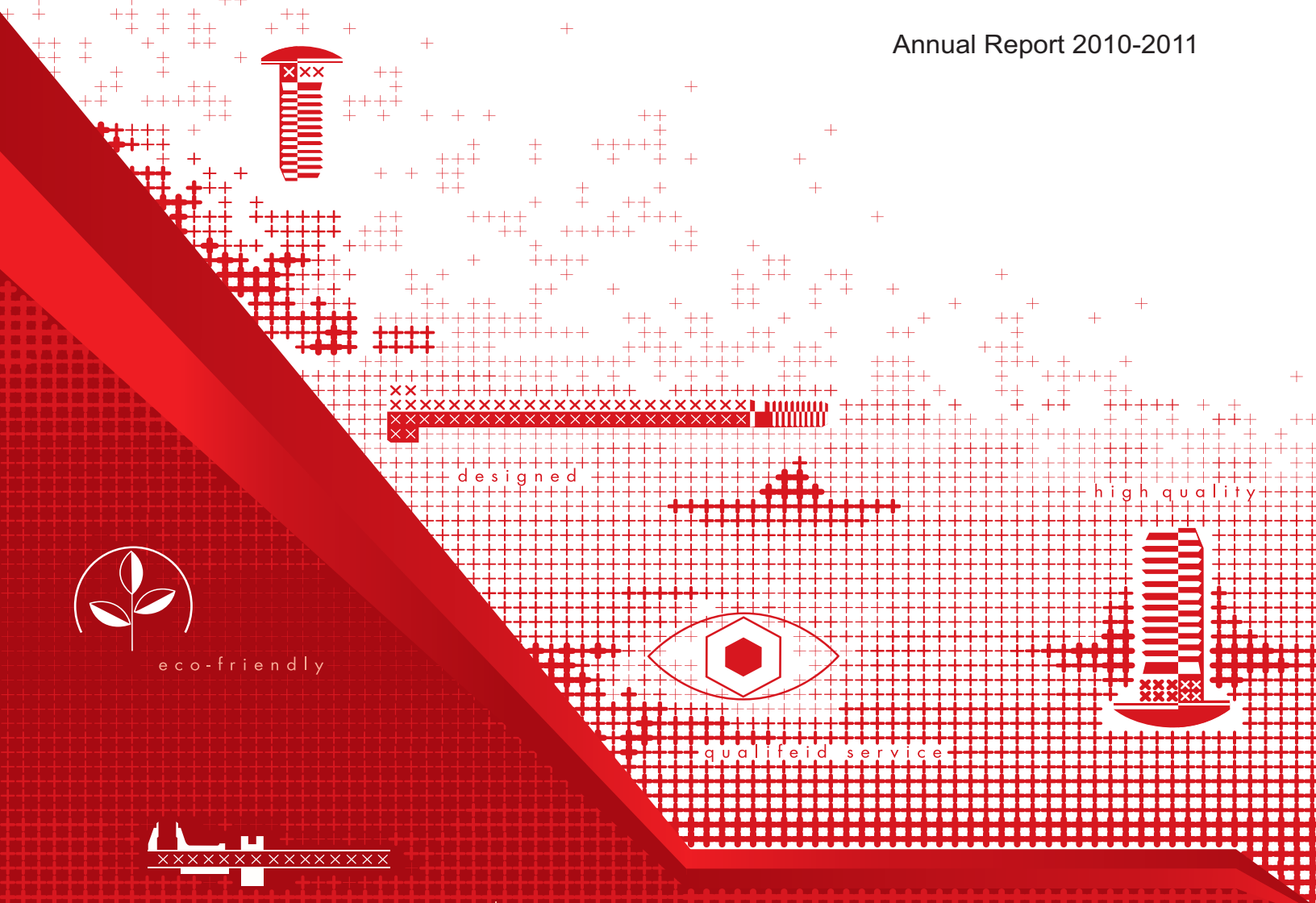




STERLING TOOLS LIMITED

Annual Report 2010-2011



designed

high quality



eco-friendly



quality service



meticulous

perfection

superior



innovative



excellence



finest technology



Registered Office

A-40, Mohan Co-operative
Industrial Estate, Mathura Road
New Delhi - 110044 (India)
Tel: +91-11-26990093

Corporate Office :

Plot No. 4, DLF Industrial Estate
Faridabad - 121 003 (Haryana)
Tel. : 0129-2270621-25
Fax : 0129-2277359

Works :

5-A, DLF Industrial Estate
Faridabad - 121 003 (Haryana)

48 K.M. Stone Delhi Mathura Road,
Village-Prithla, Tehsil-Palwal
Distt.-Palwal (Haryana)

81, Sector 25, Ballabhgarh
Faridabad (Haryana)

Bankers

Oriental Bank of Commerce
HDFC Bank Limited.

Board of Directors

Shri M.L. Aggarwal
Chairman

Shri Anil Aggarwal
Managing Director

Shri Atul Aggarwal
Whole Time Director

Dr. T.N. Kapoor
Director

Shri K.R. Gupta
Director

Shri C.R. Sharma
Director

Compliance Officer

Ms. Vaishali Singh
Company Secretary

Auditors**Statutory Auditor**

S.R. Dinodia & Co.
Chartered Accountants
K-39, Connaught Place
New Delhi - 110 001

Internal Auditor

JRA & Associates
Chartered Accountants
B-15 (LGF), G.K. Enclave - II
New Delhi - 110048 (India)

Registrar & Transfer Agent

MAS Services Limited
T-34, 2nd Floor,
Okhla Industrial Area,
Phase-II, New Delhi-110020

Notice for the Annual General Meeting	1
Directors' Report	6
Annexures to Directors' Report	11
Report on Corporate Governance	14
Management Discussion and Analysis Report	29
Auditors' Report	32
Balance Sheet	36
Profit and Loss Account	37
Cash Flow Statement	38
Schedules to Accounts	39
Balance Sheet Abstract	59

Notice for the Annual General Meeting

Notice is hereby given that Thirty Second Annual General Meeting of the Members of **Sterling Tools Limited** will be held at **Lakshmipat Singhania Auditorium**, PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016 on Wednesday, 6th July, 2011 at 9:30 A.M. to transact the following business(s):

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the financial year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To declare Dividend for the Financial Year 2010-2011.
3. To appoint a Director in place of Dr. T. N. Kapoor, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, and to fix their remuneration. M/s S. R. Dinodia & Co, Chartered Accountants, the retiring Auditors of the Company, being eligible, offer themselves for reappointment.

Special Business

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

POWER TO BORROW MONEY

Resolved that pursuant to the provisions of Section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956, provisions of the Articles of Association of the Company and in suppression of the resolution passed in the Annual General Meeting held on 11th Day of September, 2007, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow for and on behalf of the company, from time to time ,any sum or sums of money from any one or more of the Company's bankers and/or from any one or more individuals/firms/bodies corporate/financial institutions on such terms & conditions as the Board of Directors may deem fit, notwithstanding the fact that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business such as loans repayable on demand or within 6 months from the date of the loan, cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but not including loans raised for the purpose of financing expenditure of a capital nature) will or may exceed the aggregate of the paid-up share capital of the company and its free reserves (that is to say reserves not set apart for any specific purpose) but such borrowings will not exceed Rs. 150 Crores (Rupees One Hundred Fifty Crores Only) at any point of time.

For Sterling Tools Limited

Date: 17th May, 2011

Place: Faridabad

Registered Office:

A-40, Mohan Co-operative Industrial Estate
Mathura Road, New Delhi-110044

(Vaishali Singh)
Company Secretary

Notes

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. In terms of Article 89 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Dr. T.N. Kapoor, Director, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors of the Company commends his respective re-appointment. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges of person seeking re-appointment as director under Item No. 3 are annexed herewith.
3. An explanatory statement pursuant to Section 173(2) of Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed herewith.
4. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.
5. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days between 10 A.M. to 2 P.M. and upto the date of the Meeting.
6. The Register of Members and Share Transfer Books of the Company will be closed from Friday, 1st July, 2011 to Wednesday, 6th July, 2011 (both days inclusive) in connection with the ensuing Annual General Meeting and for purpose of determining the entitlement of dividend, if any, declared by the Company.
7. The final dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid at par after 6th July, 2011 to (i) those shareholders whose names appear on the Company's Register of Members after giving effect to all valid share transfers in physical form lodged with the company on or before 30th June, 2011 (ii) in respect of shares held in electronic form to those beneficiaries whose names appear in the statements of beneficial ownership by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on 30th June, 2011.
8. For the convenience of the Members, attendance slip is enclosed elsewhere in the Annual Report. Members/Proxy Holders/Authorized Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue of the AGM. Proxy/Authorized Representatives of a member should state on the attendance slip as 'Proxy or Authorized Representative' as the case may be.
9. The Directors' Report, Auditors' Report and Audited Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the financial year ended on that date are enclosed.
10. The Company has designated an exclusive e-mail ID called vaishalis@stfasteners.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.
11. 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 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.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company.
13. Pursuant to the provisions of Section 205A (5) and 205 (c) of the Companies Act, 1956, 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.

Accordingly, unpaid / unclaimed dividend for the Financial Year 2003-2004 shall become transferable to the fund on 28th September, 2011, followed by the transfers of the amounts of unpaid / unclaimed dividends for the subsequent years. 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 2003-2004 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 due dates for claiming by the shareholders:

Dividend Year	Date of declaration of dividend	Last Date for claim
2003-2004	29/09/2004	28/09/2011
2004-2005	29/09/2005	28/09/2012
2005-2006	12/09/2006	11/09/2013
2006-2007	19/03/2007	18/03/2014
2007-2008	07/08/2008	06/08/2015
2008-2009	01/09/2009	31/08/2016
2009-2010 -Interim	18/02/2010	17/02/2017
2009-2010	30/08/2010	29/08/2017

Those members who have not so far claimed their dividend for the financial year 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010 are requested to make their claims to the Company for obtaining duplicate dividend warrants.

14. In terms of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders. 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 individual name are advised to avail of the nomination facility by filing Form No. 2BV in their own interest. 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.

15. Members holding physical shares in multiple folios in identical name are requested to send their share certificates to Company's Registrar and Share Transfer Agent, M/s MAS Services Limited for consolidation.
16. The Copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy to the meeting.
17. In case of any query, Members are requested to send the same to the Company Secretary atleast 10 days before the date of the meeting so that information can be made available at the meeting.
18. Members are requested to note that no **GIFT** will be distributed at the meeting.

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

Date: 17th May, 2011

Place: Faridabad

(Vaishali Singh)

Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

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

Item No. 5

The Company in its Annual General Meeting held on 11th Day of September, 2007 approved the limits for the borrowings to be made by the Board of Directors of the company from time to time upto Rs. 100 Crores (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business). During last 3-4 years, the Company has made substantial borrowings from banks by way of term loans to meet its expansion program and for upgradation of the plant & machinery. Presently, the total money borrowed by the Company by way of Term Loans is Rs. 69.77 Crores from Oriental Bank of Commerce (apart from the Temporary Loans).

Keeping in view the proposed expansion program and consistent enhancement of producing capacity and technical upgradation of Plant & Machinery, it is required to enhance the borrowing powers of the Board.

Hence the above said resolution.

None of the directors are interested in the said Resolution

Pursuant to the requirements of Corporate Governance, a Brief Resume and other information in respect of the Directors seeking re-appointment at the Annual General Meeting is given below:

Dr. T. N. Kapoor

Dr. T. N. Kapoor aged about 79 years, a Doctorate in Commerce and also had professional training in Management both in India & abroad. He has held various responsible positions with the Punjab University, Chandigarh including as Founder Chairman, University Business School (formerly Department of Commerce and Business Management) during 1963-81, Dean, Faculty of Business Management & Commerce 1977-1991 & Vice Chancellor 1991-1997. He has also been Executive Director, Management Development Institute, Gurgaon during 1984-1986. He is/has also been involved with several professional associations / management institutes at Governing Board / Council level that include International Association of Universities, Paris, All India Management Association, New Delhi, LBSIM Delhi, IIM-Bangalore, IIM-Kolkatta, IIPA-New Delhi & IAMR-New Delhi.

Dr. T. N. Kapoor possesses a diverse and wide ranging experience and knowledge of corporate affairs having been associated as independent / non-executive/nominee director with several well known public limited companies for past over 33 years.

An eminent management advisor and educationist of over 54 years standing, Dr. Kapoor's subject areas of specialisation include Corporate Management Policy, Finance & Human Resources Management.

He is a member of the Audit Committee, Remuneration Committee & Investors Grievances Committee of the Company.

Details of other Directorships/Committee Memberships held by him

Directorship	Committee Membership
Omax Auto Limited	Audit Committee Shareholders'/Investors' Grievances Committee
Swaraj Engine Limited	Audit Committee Shareholders'/Investors' Grievances Committee
Modern Steel Limited	Audit Committee Shareholders'/Investors' Grievances Committee
KDDL Limited (Formerly Known as Kamla Dials & Devices Limited)	Audit Committee

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

Date: 17th May, 2011

Place: Faridabad

Registered Office:

A-40, Mohan Co-operative Industrial Estate
Mathura Road, New Delhi-110044

**(Vaishali Singh)
Company Secretary**

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 32nd Annual Report on the business operations and financials of the Company for the Financial Year ended 31st March 2011.

Financial Results

The Company's performance for the Financial Year 2010-2011 vis-à-vis 2009-2010 is summarized as under:
(Rs. in Lacs)

Particulars	Financial Year	
	2010-2011	2009-2010
Net Sales Turnover	24793.51	17952.54
Profit before interest, depreciation and tax	3598.57	3027.58
Interest	589.83	534.38
Depreciation	642.66	629.07
Profit Before Tax (PBT)	2366.08	1864.13
Provision for Tax	793.09	705.25
Profit After Tax (PAT)	1572.99	1158.88
Appropriations:		
Proposed Dividend – Interim	0.00	136.89
– Final	342.23	205.34
Tax on Proposed Dividend – Interim	0.00	22.74
– Final	55.52	34.90
Transfer to General Reserve	160.00	120.00
Balance Carried to Balance Sheet	4611.18	3583.47

Review of Operations

The Company recorded the total Net Sales Turnover amounting to Rs. 24793.51 Lacs as compared to Rs. 17952.54 Lacs in previous year giving a growth of 38.11% approx. The profit after tax was higher by 35.73% at Rs.1572.99 Lacs as compared to Rs. 1158.88 Lacs in Previous year.

The Company is continuously focusing on its core area of supplying fasteners to Original Equipment Manufacturers (OEMs) all over India and efforts have also been made for increasing the Company's business share in Retail Market from Rs. 234.90 Lacs to Rs. 300.00 Lacs showing a growth rate of 27.71%. Similarly the Company has also focused on its Export Sales which was Rs.1268.83 Lacs (FOB value) for the financial year 2010-2011 as against Rs. 572.60 Lacs (FOB value) showing a growth of 121.59%.

The Company has adequate production facilities with sole objective of providing quality products at reasonable prices as well as satisfying the interests of all stake holders in the Company.

The Company has projected a growth of 25% in the Total Sales Turnover for the financial year 2011-2012.

Dividend

Keeping in view the Company's performance, the Directors are pleased to recommend a dividend of 50% for the financial year ended 31st March, 2011 (Rs. 5/- per equity share) on the paid up equity share capital as compared to 50%(30% interim dividend + 20% Final dividend) for the financial year ended 31st March 2010 (Rs. 5/- per Equity Share (Rs. 3/- Interim dividend + Rs. 2/- Final Dividend per equity share)).

Transfer to General Reserve

Your Company has transferred Rs. 160 Lacs to General Reserves during the financial year 2010-11 as compared to Rs. 120 Lacs in previous financial year.

Deposits

The Company has not accepted any deposits, which come under the purview of Section 58A of the Companies Act, 1956.

Listing

The equity shares of the Company are listed with Bombay Stock Exchange Limited and National Stock Exchange of India Limited. There are no arrears on account of payment of listing fees to the said Stock Exchanges.

Joint Venture

During the financial year under review, Your Company has invested Rs. 1,75,00,000/- in Equity Share Capital of the Company of Sterling Fabory India Private Limited, a Joint venture Company engaged in the business of wholesale distribution, supply chain and vendor management of non-automotive and automotive fasteners and standard and non-standard(customer specific) non automotive electronic and other components.

During the financial year under review, the Joint Venture Company has started its operations in April 2010 by establishing its main Trading Setup at 12/2, Delhi Mathura Road, Faridabad with Branch office/ Warehouse at Pune. The Joint Venture Company made a Sales of Rs. 57 Lacs which is expected to be Rs. 675 Lacs for the Financial Year 2011-2012. The Company plans to set up branch offices / warehouses at Bangalore and Chennai.

Particulars of Employees

As required by Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, a statement on information relating to employees has been given by way of Annexure-I to this Report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

Information pursuant to the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to conservation of energy, technology absorption & foreign exchange earnings and outgo are given by way of Annexure-II to this Report.

Corporate Governance

Your Company stand committed to good Corporate Governance-accountability, transparency, disclosures and independent supervision to increase the value of stakeholders. The Company is committed to transparency in all its dealings with shareholders, employees, the creditors, the Government and other parties and places high emphasis on business ethics.

Your Company's basic philosophy of Corporate Governance in the Company is to achieve business excellence and increasing long-term shareholder value, keeping in view the interest of the company's stakeholders.

Your Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under clause 49 of listing agreement existing as of 31st March 2011.

A report on Corporate Governance pursuant to the provisions of Clause 49 of Listing Agreement supported by a Certificate given by the Statutory Auditors of the Company confirming compliance of conditions, form part of this Annual Report as ANNEXURE-III.

Your Company has made all the information, required by Investors, available on the Company's Corporate Website www.stlfasteners.com.

Management Discussion & Analysis

Management Discussion and Analysis Report covering issues relating to Industry structure, Opportunities, Challenges, Outlook and Performance etc. has been given separately and form part of this Annual Report as ANNEXURE-IV.

Director's Responsibility Statement

Pursuant to the requirement under section 217(2AA) of the Companies (Amendment) Act, 2000, with respect to Director's Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the accounts for the Financial Year ended 31st March, 2011, the applicable accounting standards have been followed and there are no material departures;
- (ii) the Directors have selected accounting policies in consultation with Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year under review;
- (iii) the directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. The directors have confirmed that there are adequate control & systems for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the accounts for the Financial Year ended 31st March, 2011 on a 'going concern' basis.

Human Resources Development

Your Company strongly believes that its ability to maintain and continue its growth depends largely on its strength of attracting, developing, motivating and retaining the talent. Therefore, it is the endeavour of your Company to nurture and develop this wealth

a) Industrial Relations

During the financial year under review, harmonious industrial relations were maintained in your Company.

b) Trainings for development of Human Resources

During the financial year under review, Your Company had training target of 4 man days of training for every employee and we have achieved the target.

Your Company had prepared Skill/Competency Matrix for all employees. The training need identification was done through analysis of Skill/Competency Matrix.

Your Company conducted technical, soft skills and behavioral training. Some managers were sent to IIMs, etc. for Management Development Programmes. Outbound Training was conducted for team building. Two employees were sent for AOTS training in Japan.

Moreover Your Company had conducted Induction training for all new recruits.

c) Kaizens:

Your Company had done well in Kaizens last financial year by implementing about 1500 kaizens, resulting to savings and improvement in 5S, Systems, Process, Safety, Morale, Methods, Productivity, Reducing losses, Energy saving etc.

Statutory Disclosures

Your Directors have made necessary disclosures, as required under various provisions of the Act and Clause 49 of the Listing Agreement.

Material Changes and Commitments

There were no material changes and commitments, affecting the financial position of the Company that have occurred between the end of the financial year of the Company and the date of signing of this report.

Directors

In terms of Article 89 of the Articles of Association and Sections 255 & 256 of the Companies Act, 1956, Dr. T. N. Kapoor retires by rotation in the forthcoming Annual General Meeting and being eligible offer himself for re-appointment.

Statutory Auditors

I) Appointment

M/s. S. R. Dinodia & Co., the Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. M/s S.R. Dinodia & Co., have, under Section 24(1) of Companies Act, 1956, furnished the certificate of their eligibility for reappointment. As recommended by the Audit Committee, your Directors propose that they may be reappointed as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.

II) Report

The Auditors' Report and Notes on Accounts for the financial year 2010-2011 are self explanatory and therefore do not call for any further comments.

Internal Control System

M/s JRA & Associates, the Chartered Accountants based at New Delhi are working as Internal Auditors of the Company.

The Detailed Report of Internal Audit is presented to Management and an Executive Summary containing significant issues of repetitive nature, affecting the Company substantially in financial terms, Non compliances with any Statutory laws are presented to Audit Committee on quarterly basis for necessary directions thereon.

Safety, Health and Environment (SHE) Measures

Your Company maintain a healthy Environmental, Health and Safety Management Policy and comply with all the legal compliances. The Company is having zero discharge facility at Prithla Plant and is on forefront for plantation of tree and adopting measures to conserve natural resources viz. Water and Power. Your Company is accredited to ISO 14001:2004.

Quality Management System

Sterling Tools Limited has three units- Wire drawing unit which supplies Raw Material is certified for ISO -9001:2008.

Manufacturing units at Faridabad and Prithla are certified for TS -16949:2009. Our Plant at Prithla is certified for AS 9100 B.

Laboratory at Faridabad is NABL accredited and aligned to ISO -17025:2005. Faridabad plant is certified under Environment Management Systems ISO -14001:2004.

Prithla plant has plan to acquire ISO 14001 in the current financial year.

Subsidiaries

Your Company doesn't have any Subsidiary Company.

Cash Flow Analysis

In compliance with the provisions of Clause 32 of the Listing Agreement, the Cash Flow Statement for the financial year ended 31-03-2011 is annexed hereto.

Acknowledgements

Your Directors would like to express their appreciation to all the Company's employees for their performance and continued support. The Directors would also like to thank all the shareholders, vendors, bankers, consultants, customers and governmental & statutory authorities for their sustained support.

for and on behalf of the Board

Date:17th May, 2011

Place: Faridabad

M. L. Aggarwal

Chairman

DIN No. 00027380

Annexure - I to Directors' Report

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 forming part of the Directors' Report for the financial year ended 31st March 2011.

Name of the Employee	Designation and nature of duties	Remuneration (Rs)	Qualifications	Age in years	Experience in years	% of Share-holding	Date of commencement of employment	Last employment held and designation
1. Mr. M. L. Aggarwal	Chairman	7,812,328	B. Sc.	81	57	10.73	07.06.1979	None
2. Mr. Anil Aggarwal	Managing Director	7,266,950	B. Com.	53	32	22.65	07.06.1979	None
3. Mr. Atul Aggarwal	Whole Time Director (Finance & Marketing)	7,073,608	MBA	47	22	25.10	01.07.1989	None

Note:

1. Remuneration means gross remuneration calculated in accordance with provisions of Section 198 of the Companies Act, 1956.
2. The nature of employment in all cases is contractual.
3. The above employees are directors in whole time employment with the Company and are related to each other.
4. There is no other employee employed during the financial year drawing remuneration of more than Rs. 5,00,000 p.m.

Annexure - II to Director's Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 217 (1) (e) of the Companies Act, 1956 and Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A. Conservation of Energy

- 1) Measures taken :
 - a) The AC Drive installed in the Forging machine to reduce the energy consumption.
 - b) Further improvement points identified in the Furnace, All the Hot water tanks in the furnace covered with insulation to reduce heat loss.
 - c) Inefficient air compressors removed and efficient compressor Installed.
 - d) The control system installed in the hot water generator there by reducing the consumption of diesel.
 - e) With the rationalization of DG loading the specific fuel consumption in DG improved.
- 2) Additional investment proposals, if any, for reduction of consumption per unit production :
 - a) With the installation of the new compressor further saving is possible by installation of AC Drive, Installation of servo stabilizer to reduce the losses in the HT side.
- 3) Impact of (1) & (2) : Optimum use of energy
- 4) Total energy consumption and energy consumption per unit of production. : As given in Form A (enclosed)

B. Technology Absorption

- 1) Specific areas : Implementation of Re-Header project
- 2) Benefits : Improvement in material yield, reduction of production cost and customer satisfaction because of faster delivery of parts.
- 3) Future plan of action : STL plan to establish a Technical Centre to carry out testing and product validation.
- 4) Expenditure on R&D : The Company has not incurred any expense towards R&D during the Financial Year under review.

Technology Absorption, Adaptation & Innovation

- 1) Efforts made : During the financial year under review, the Company has entered into a Technology Tie-up with Illinois Tool Works, a USA based company for importing Technology for manufacturing of Fasteners. The Company keeps itself updated with latest technological innovations by way of constant communication, personal discussions and visits to foreign countries/plants.

C. Foreign Exchange Earnings and outgo:

- 1) Efforts : The company made exports worth Rs. 1268.83 Lacs (FOB value) in the year as compared to Rs. 572.60 Lacs (FOB value) in the previous year. There has been 121.59% growth in exports, inspite of slower recovery in global markets.

Initiatives taken to further increase the exports and developments of new export markets. The Company has strategic alliance with companies in Europe last year to increase its share of business in the international market.

Current challenge in exports, rising prices of raw materials and lower exports realizations due to strengthening of Rupee vis-à-vis major foreign currencies would impact Company's profits.
- 2) Earnings and Outgo :
 - (1) Foreign Exchange earnings Rs. 12,68,83,136.00
 - (2) CIF Value of imports Rs. 45,52,16,402.00
 - (3) Expenditure in Foreign Exchange Rs. 49,43,623.00

Form A

a) Power and fuel consumption

	Current Year	Previous Year
1. Electricity		
(a) Purchased		
Unit (KWH' 000)	14532	12411
Total amount (Rs in lacs)	726	538
Rate/unit (Rs)	4.99	4.50
(b) Own generation		
I. Through diesel generator		
Unit (KWH'000)	5631	5554
Unit per ltr of diesel oil	3.67	3.56
Cost/unit (Rs)	9.60	8.80
II. Through steam turbine/generator	Nil	Nil
Units		
Units per ltr of fuel oil/gas		
Cost/units		
2. Coal (specify quantity and where used)	Nil	Nil
Quantity (tonnes)		
Total cost		
Average rate		
3. Furnace Oil	Nil	Nil
Quantity (K.ltrs)		
Total amount		
Average rate		
4. Other/internal generation	Nil	Nil
b) Consumption per unit of production		
(Per MT of High Tensile Fasteners)		
Electricity (in KWH)	675	756
Diesel (in Liter)	91	100
Coal (specify quality)	Nil	Nil
Others (specify)	Nil	Nil

Annexure - III to Directors' Report

Report on Corporate Governance

The concept of Corporate Governance is beyond compliances, financial prudence, transparency in procedures, reporting channels and adherence to regulatory framework. The real meaning of Corporate Governance lies upon rich legacy of fair, ethical, professional and transparent governance practices.

Sterling Tools Limited' philosophy on Corporate Governance is reflected in its commitment to achieve balance between Stakeholders' interest and corporate goals.

Your Company strongly believes that sound principles of Corporate Governance are key to success and enhance the confidence of its stakeholders. Corporate Governance in the Company has been strengthened by formulating and adopting codes and policies viz. Code of Conduct to be adhered by Board of Directors and Senior Management Personnel, Policy on Enterprise Risk Management.

Your Company is driven by its core values viz. Ethical practices, Concern for people at work, Delight of customers. The Company is full in compliance with the requirements of Code of governance as prescribed in and in this regard the following details are provided for the information of Stakeholders at large:

1. Composition and Responsibility of Board of Directors

The composition of Board of Directors is in conformity with Clause 49 of the Listing Agreement, as amended from time to time.

The Board of Directors alongwith its Committee provide necessary guidance, leadership to Company's Management and direct, supervise and control the affairs of the Company in order to achieve its Corporate Goals.

All Independent Directors are in compliance with the requirements of Listing Agreement for being an Independent and have confirmed that they meet the "Independence Criteria" as mentioned under clause 49 of Listing Agreement.

As of 31st March, 2011, the Board of Directors of the Company ("the Board") has an optimum combination of directors.

The Board comprises of six directors and in order to ensure the independence of the Board, half of the directors are independent directors.

Name of the Director	Category of Directorship	No. of Directorships held in other companies	No. of Chairmanship/ Membership in Board Committee of other companies	
			Chairman	Member
Shri. M. L. Aggarwal	Chairman & Executive Director	0	Nil	Nil
Shri Anil Aggarwal	Managing Director	0	Nil	Nil
Shri Atul Aggarwal	Whole Time Director	0	Nil	Nil
Dr. T. N. Kapoor	Non Executive Independent Director	4	3	4
Shri K. R. Gupta	Non Executive Independent Director	1	2	Nil
Shri C. R. Sharma	Non Executive Independent Director	3	Nil	3

- a) For the purpose of considering directorships, only Public Limited Companies (Listed as well as Unlisted) have been included.
- b) For the purpose of calculating Chairmanship / Membership of Committees only Audit Committee and Shareholders' / Investors' Grievance Committee of all Public Limited Companies have been considered.

1.1 Board Meetings and Procedures thereof:

In order to comply with the provisions of Company Law as well as Listing Agreement, 4 meetings of Board of Directors with a gap of not more than 4 months between two meetings are atleast held in a particular Financial Year. The Agendas thereof are provided in advance before the Board Meeting and the status of decisions/actions taken/approved by the Board is presented in the successive Board Meeting in the form of Follow-up Action Report. Minutes of every Board Meeting are recorded and are discussed before approval by the members of the Board at successive Board Meeting.

1.2 Information supplied to the Board:

Presentations are made to the Board of Directors on various functional, operational, statutory compliances and financial highlights etc.

Among others, this include:

- i) Annual operating plans and budgets and any updates.
- ii) Quarterly Results of the Company.
- iii) Capital Budgets-Plant wise as well as Company as a whole.
- iv) Minutes of Audit Committee, Investors' Grievance Committee, Share transfer Committee & Remuneration Committee.
- v) Information relating to recruitment of Senior Officers just below the Board level.
- vi) Certificates given by the Plant Heads/Admn. Heads detailing compliances with the various provisions of Factories Act, Safety, Health and Environmental norms etc.
- vii) Details of any Joint Venture, Collaboration etc.
- viii) Non-compliance of any statutory, regulatory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- ix) All other information which is required to be provided pursuant to the provisions of Clause 49(ii) (d) of Listing Agreement.

1.3 Details of Board Meetings held during the Financial Year

During the Financial Year 2010-2011, the Board met 7 times—on 10th May, 2010, 3rd July, 2010, 19th July, 2010, 22nd October, 2010, 23rd November, 2010, 19th January, 2011 and 30th March, 2011.

Name of the Director	No. of Board Meeting attended	Whether attended last AGM
Shri. M. L. Aggarwal	7	Yes
Shri Anil Aggarwal	7	Yes
Shri Atul Aggarwal	7	Yes
Dr. T. N. Kapoor	7	No
Shri K. R. Gupta	7	Yes
Shri C. R. Sharma	7	No

1.4 Compensation to the Members of the Board

Executive Directors

The terms of existing remuneration of Shri M. L. Aggarwal, Shri Anil Aggarwal and Shri Atul Aggarwal have already been fixed by the Board of Directors and approved by the shareholders in the AGM.

Details of the remuneration paid to Executive Directors during the financial year 2010-2011 are given below:

(Amount in Rs.)

Name of the Director	Salary and other Allowances	Commission	Perquisites	Total
Shri. M. L. Aggarwal	51,15,840	25,00,000	1,96,488	78,12,328
Shri Anil Aggarwal	46,32,000	25,00,000	1,34,950	72,66,950
Shri Atul Aggarwal	43,63,200	25,00,000	2,10,408	70,73,608

Non-executive Directors

The Non-Executive Directors are entitled to sitting fee for attending the Board / Committee Meetings. A sitting fee of Rs. 10000/- for attending each Meeting of the Board as well as Committee meeting is paid to an Independent director.

The sitting fees are paid to Independent directors pursuant to the compliance of the provisions of Companies Act, 1956 as amended from time to time. None of the Independent directors have any pecuniary/other interest in the transactions of the Company, its directors or its promoters, its senior Management and Associates which may affect their independence.

Sterling Tools Limited has no stock option plans and hence, such instruments do not form part of the remuneration package payable to any executive and/or non-executive director. During the financial year under review, none of the directors was paid any performance-linked incentive.

During the financial year 2010-2011, the Company did not advance any loans to any of the executive and/or non-executive directors.

During the financial year 2010-2011, the sitting fees paid to Independent directors is detailed below:

(Amount in Rs.)

Name of the Director	Board Meeting	Audit Committee	Investor grievance Committee	Remuneration Committee	Share Transfer Committee
Shri K. R. Gupta	70000	50000	40000	10000	50000
Dr. T. N. Kapoor	70000	50000	40000	10000	0
Shri C. R. Sharma	70000	50000	0	10000	0
TOTAL	210000	150000	80000	30000	50000

1.5 Details of shareholding of Directors as on 31.03.2011 are given as under:

Name of the Director	No. of Equity Shares	% of Holding
Shri M. L. Aggarwal	734463	10.73
Shri Anil Aggarwal	1550400	22.65
Shri Atul Aggarwal	1718302	25.10
Dr. T. N. Kapoor	Nil	Nil
Shri K. R. Gupta	Nil	Nil
Shri C. R. Sharma	200	0.003

2 Board Committees

The Board of the Company has constituted its different Committees for regulating various working aspects of the Company.

At present the Company has four Board Committees:

- (i) Audit Committee
- (ii) Shareholders' / Investors' Grievances Committee
- (iii) Share Transfer Committee
- (iv) Remuneration Committee

2.1 Audit Committee

The constitution, quorum, scope etc. of the Audit Committee is in line with the Companies Act, 1956 and provisions of the Listing Agreement.

The purpose of this Committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosures process, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters.

At present, the Audit Committee comprises of following Directors as members having wide experience and knowledge of Corporate Affairs, Income Tax & Finance.

- Shri. K. R. Gupta – Chairman(Non Executive Independent Director)
- Dr. T. N. Kapoor – Member(Non Executive Independent Director)
- Shri C. R. Sharma – Member(Non Executive Independent Director)
- Shri Anil Aggarwal – Member(Managing Director)

The role and terms of reference of the Audit Committee cover areas mentioned in the Clause 49 of Listing Agreement with Stock Exchange and section 292A of the Companies Act. 1956 which, among others, include:

1. A periodic review of efficacy of the financial control systems and suggestions for improvement therein.
2. Review of operating results on a quarterly basis, prior to their submission for the consideration and adoption by the Board.
3. Advice to the Board on appointment / removal of statutory auditors and fixing their remuneration.
4. Review with statutory auditors their audit findings & to address any areas of concern cited by them.
5. Advice to the Board on the adequacy of Company's risk management measures and implementation of financial policies and procedures.
6. Ensure compliance of internal control systems.
7. To act as a link between Statutory and Internal Auditors of the Company and the Board of Directors.
8. Discussion with Internal Auditors any significant findings and follow up thereon.
9. Review of any weakness in Internal Controls, if any and make recommendations relating thereto to the Board so as to ensure compliance of internal Control system.
10. Any other matter which the Board of Directors may at its discretion assign to the committee from time to time.

Ms. Vaishali Singh, Company Secretary, is the Secretary to the Committee.

Meetings of Audit Committee

During the Financial Year 2010-2011, the Audit Committee met 5 times – on 10th May, 2010, 19th July, 2010, 22nd October, 2010, 23rd November, 2010 and 19th January, 2011. The attendance of each Member of the Committee is given below:

Name of Directors	No. of Meetings attended
Shri. K. R. Gupta	5
Shri. C. R. Sharma	5
Dr. T. N. Kapoor	5
Shri. Anil Aggarwal	5

2.2 Shareholders' / Investors' Grievances Committee

The Investors Grievances Committee is headed by an Independent Director and comprises of following Directors:

- Dr. T. N. Kapoor – Chairman (Non-Executive Independent Director)
- Shri K. R. Gupta – Member(Non-Executive Independent Director)
- Shri Atul Aggarwal – Member(Whole Time Director)

Terms of reference

The Committee looks into the grievances of the investors relating to transfer/transmission of Shares, Non-issue of duplicate share certificates/Consolidation/ Split of Shares, Non receipt of Annual Report/Declared Dividend, Review status of Investor Grievances and the Functioning of the Share Department to render efficient, effective and satisfactory services to Investors.

Ms. Vaishali Singh, Company Secretary, is the Secretary to the Committee.

Meetings of Shareholders'/Investors' Grievances Committee

During the financial year 2010-2011 the Committee met 4 times-on 10th May, 2010, 19th July, 2010, 22nd October, 2010 and 19th January, 2011 to review the grievances / complaints received from Shareholders.

1.	Number of shareholders' complaints received during the financial year 2010-2011	6
2.	Number of shareholders' complaints solved to the satisfaction of shareholders.	6
3.	Number of pending shareholders' complaints	NIL

2.3 Share Transfer Committee

The Share Transfer Committee comprises of following Directors:

- Shri M. L. Aggarwal – Chairman
- Shri Anil Aggarwal – Member(Managing Director)
- Shri Atul Aggarwal – Member(Whole Time Director)
- Shri K. R. Gupta – Member(Non-Executive & Independent Director)

Meetings of Share Transfer Committee

The Committee meets at frequent intervals, to approve inter-alia, transfer/transmission of Shares, de-materialization of shares, issue of duplicate share certificate, consolidation and split of Share Certificate and any other powers / responsibilities entrusted by the Board. During the Financial Year 2010-2011 the committee met 13 (Thirteen) times.

2.4 Remuneration Committee

The Remuneration Committee comprises of following Directors:

- Shri K. R. Gupta – Chairman (Non-Executive Independent Director)
- Shri C. R. Sharma – Member(Non-Executive Independent Director)
- Dr. T. N. Kapoor – Member(Non-Executive Independent Director)
- Shri M L Aggarwal – Member(Executive Chairman)

Terms of Reference

The role and terms of reference of the Remuneration Committee cover areas mentioned in Clause 49 of Listing Agreement with Stock Exchange, which, among others, include:

- to formulate the remuneration policy for all Executive Directors including retirement benefits to be paid to them and deal with matters pertaining to Employees' Stock Option Schemes
- to adhere proper disclosure of remuneration paid /payable to Executive of the Company during any financial period
- to identify and ensure disclosure of all pecuniary relationship or transaction with Executive Directors of the Company.
- to ensure compliance of all statutory laws related to Remuneration Policy
- to obtain outside legal or professionals advice and to access the criteria and Industry benchmarks for formulation of remuneration package of Executive Directors
- to recommend the appointment/removal and fix the remuneration of Executive Directors of the Company

Any other Powers /responsibilities, as the Board of directors may from time to time, delegate by a resolution.

Meetings of Remuneration Committee

During the financial year 2010-2011, the Committee met on 19th January, 2011.

3. Compliance Officer

Ms. Vaishali Singh, the Company Secretary is the Compliance Officer of the Company. The Compliance Officer can be contacted at:

5A DLF Industrial Estate,
Faridabad-121003
Tel.: 91-129-2270621-25 (Extn. 146)
Email: vaishalis@stlfasteners.com

4. Subsidiary Companies

The Company doesn't have any Subsidiary.

5. Disclosures

5.1 Details of shares held by the Directors and dividend paid to them during the Financial Year 2010-11.

Name of the Director	No. of Equity Shares	Dividend paid during the Financial Year 2010-2011 (In Rs)
Shri M. L. Aggarwal	734463	1468926
Shri Anil Aggarwal	1550400	3100800
Shri Atul Aggarwal	1718302	3436604
Dr. T. N. Kapoor	Nil	Nil
Shri K. R. Gupta	Nil	Nil
Shri C. R. Sharma	200	Nil

5.2 Disclosures on materially significant related party transactions

Details of related party transactions are included in the Notes to the Accounts as per Accounting Standard-18 in Companies (Accounting Standards) Rules, 2006. Shareholders may please refer the same. However these are not in conflict with the interests of the Company at large. There are no material individual transactions which are not in the normal course of business.

All details relating to financial and commercial transactions where Directors may have potential interest are provided to the Board and the interested Directors neither participated in the discussion nor did they vote on such matters.

5.3 Disclosure of Accounting Treatment

There is no deviation in following the treatments prescribed in any Accounting Standard in preparation of financial statements of the Company during the financial year.

5.4 Details of Loans/Advances and Investments

During the financial year 2010-11, the Company has invested Rs. 1,75,00,000/- in the shares of Sterling Fabory India Pvt. Ltd., the Joint Venture Company established in pursuance of a Joint Venture with a Netherlands based Company i.e. Borstlap Masters in Fasteners Group B.V.(Fabory Group) on 50:50 basis. The Joint Venture Company is engaged in the business of wholesale distribution, supply chain and vendor management of non-automotive and automotive fasteners and standard and non-standard(customer specific) non automotive electronic and other components, assemblies and sub-assemblies and fittings, of all kinds and for all industries and components thereof.

Besides the above said investment, the Company has not made any investment in any other group company or any outside company as well as has not provided any loan / advance to any of its directors or to any group Company in which directors are interested.

5.5 Details of non-compliance with regard to the Capital Market

There was neither any non-compliance by the Company on any matter relating to capital markets during previous three years nor did the Company attract any penalties or strictures by the Stock Exchanges, SEBI or any Statutory Bodies with regard to Capital Market

5.6 Details of Compliance with Mandatory requirements of Clause 49 of Listing Agreement

The Company has duly complied with all the mandatory provisions of Clause 49 of Listing Agreement.

5.7 Details of Compliance with Non-Mandatory Requirements of Clause 49 of Listing Agreement

Board of Directors

The Company has decided to issue formal appointment letters to directors to be appointed in future and the same should be made available to shareholders at the time of ratification of appointment of newly appointed director and be placed on the website of the Company.

Separation of office of CEO and Chairman

The office of the Chairman and CEO of the Company has always been separated. Mr. M.L. Aggarwal acts as Chairman and Mr. Anil Aggarwal acts as CEO of the Company.

Independent Directors

The existing Independent directors have freedom to meet the Management of the Company as and when need be to discuss any issue related to affairs of the Company.

Keeping in view the contribution given by the Independent directors in effectively carrying out the business of the company, the Management is of the view that it is not necessary to fix the tenure of the Independent directors

Remuneration Committee

The remuneration of Executive Personnel as well as Non Executive Directors/Independent Directors of the Company is fixed by the Remuneration Committee. The necessary details of Remuneration committee is elsewhere provided in the Report.

Training of Board Members/Mechanism for evaluating non-executive Board Members

All the Board Members are experts in their respective fields and are well aware of company's business model and risk profile. If need be, the training will be organised by the Company.

The Independent directors of the Company are also members on the Board of other Companies and Committees thereof. All of them actively take part in the deliberations at the Board Meetings and contribute effectively to the business.

Risk Management

The Company has carried out a detailed analysis on Enterprise Risk Management and on the basis of that analysis, a detailed strategy including policy for Risk Management of the company is framed which is subject to be reviewed by Audit committee from time to time for identifying, analyzing and mitigating the risk factors.

Provisions regarding Audit Committee

The Company is already complying with all the provisions regarding Audit Committee. The Constitution of Audit Committee alongwith terms of references, meetings etc. are elsewhere provided in the Report.

Appointment of Auditors and Internal Auditors

The Company is already complying with most of the provisions regarding appointment of Statutory Auditors and Internal Auditors etc. except rotation of Audit Firms and Partners as is required for appointment of Statutory Auditors.

Audit Qualification

There is no Audit qualification by the Statutory Auditors

Shareholders' rights

The Half yearly financial performance and summary of significant events etc. are made available on the website of the Company and the Quarterly/Half yearly results are published in two Newspapers- English and Vernacular and are also sent to Stock Exchanges.

Whistle Blower Policy

The Company has not adopted any separate "Whistle Blower Policy". However it has a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company' code of business conduct and ethics.

6. Management

6.1 Management Discussion and Analysis

A detailed Management Discussion and Analysis forms part of the Directors' Report as ANNEXURE-IV.

6.2 Disclosures by Management to the Board

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested directors neither participate in the discussion nor do they vote on such matters.

7. Shareholders

7.1 Disclosures regarding appointment or re-appointment of Directors

The Company has provided all the details of the directors seeking appointment or re-appointment in the AGM Notice enclosed with this Annual Report.

7.2 Communication to Shareholders

The quarterly/half yearly results are being furnished to stock exchanges and also are being published in leading English and Hindi Newspapers and are displayed on the website of the Company– www.stlfasteners.com.

The Chairman's speech is distributed to shareholders at Annual General Meeting. The same is also placed on the website of the company for information of the shareholders residing in various parts of the country.

7.3 General Body Meetings

The details of Annual General Meetings held in the last three years are given below:

Financial Year	Date	Time	Venue	Special Resolution
2009–2010	30.08.2010	10:00 A.M.	Lakshmipat Sighania Auditorium, PHD Chamber of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	Re-appointment of Chairman, Managing Director and Whole Time Director of the Company with revised remuneration
2008–2009	01.09.2009	10:00 A.M.	-Do-	-None-
2007–2008	07.08.2008	09:30 A.M.	Modi Hall, PHD Chamber of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	Power to make investments, pursuant to the provisions of section 372(1) (c) of the Companies Act, 1956, upto Rs. 80 Crores.

7.4 Special Resolutions passed at the last 3 AGMs:

Date	Time	Special Resolution
30.08.2010	10:00 A.M.	Re-appointment of Chairman, Managing Director and Whole Time Director of the Company with revised remuneration.
01.09.2009	10:00 A.M.	-NONE-
07.08.2008	09:30 A.M.	Power to make investments, pursuant to the provisions of section 372(1) (c) of the Companies Act 1956, upto Rs. 80 Crores.

7.5 Special Resolution through Postal Ballot:

No special resolutions were required to be put through postal ballot last financial year.

No special resolution requiring postal balloting as recommended under Clause-49 of the Listing Agreement is placed for shareholders' approval at this meeting.

8. CEO/CFO Certification

As required by Clause 49 of the Listing Agreement, the CEO & CFO certification is given elsewhere in the Annual Report.

9. Report on Corporate Governance

This Corporate Governance Report forms part of the Annual Report. The Company is fully compliant with all the provisions of Clause 49 of the Listing Agreement of the Stock Exchanges of India.

10. Compliance

A Certificate from the Statutory Auditors of the Company, confirming compliance with all the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement of the stock exchanges is annexed to the Directors' Report and forms part of the Annual Report.

11. Code of conduct

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company as required under Clause 49(1D) of Listing Agreement. This code is also posted on the website of the Company i.e. www.stlfasteners.com.

The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the financial year ended March 31, 2011. The Annual Report of the Company contains a certificate by the Managing Director & CEO in this regard.

12. General Shareholder Information

(i) Annual General Meeting

Date	:	6 th July, 2011
Time	:	9:30 A.M.
Venue	:	Lakshmipat Singhania Auditorium PHD Chamber of Commerce and Industry PHD House, 4/2, Siri Institutional Area August Kranti Marg, New Delhi-110016

- (ii) Financial Calendar** 2011-12
- Financial Year : 1st April to 31st March
- Unaudited first quarter financial results : Second Half of July
- Unaudited second quarter financial results : Second Half of October
- Unaudited third quarter financial results : Second Half of January
- Audited annual results for the year ending 31st March 2012 : Second Half of May
- (iii) Dividend Announcement** : The Board of Directors of Sterling Tools Limited has proposed a dividend of Rs. 5 per equity share (50%) for the financial year ended 31st March, 2011, subject to approval by the shareholders of the Company at the ensuing Annual General Meeting. Interim and Final Dividend paid in the previous financial year was Rs. 3.00 and Rs. 2.00 per equity share (30%+20%) respectively.
- (iv) Dates of Book Closure** : The Register of Members and Share Transfer Books of the company will remain closed from Friday, 1st July, 2011 to Wednesday, 6th July, 2011 both days inclusive, for the purpose of Annual General Meeting.
- (v) Date of Dividend Payment** : The payment of dividend, upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made on or after 6th July, 2011 as under:
- To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the company by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as on the end-of-the-day on 30th June, 2011 and
- To all those shareholders holding shares in physical form, after giving effect to all the valid share transfers lodged with the company on or before the closing hours on 30th June, 2011.
- (vi) Share Transfer System** : The shares of the Company are compulsorily traded in dematerialised form. Shares received in physical mode are processed and approved by the Share Transfer Committee within a period of 15 days from the date of receipt provided the documents lodged are being valid and complete in all respects. In order to expedite the process of share transfer and in line with clause 49 of Listing Agreement, the Company has delegated the power of share transfer to R & T Agent- M/s Mas services Limited.
- (vii) Registrar and Transfer Agent** : MAS Services Limited
T-34, 2nd Floor, Okhla Industrial Area, Phase-II,
New Delhi-110020

- (viii) Dematerialisation of Shares** : The Shares of the Company are in Compulsory Demat segment as on 31st March, 2011,
The summarised position of shareholders in Physical and Demat segment as on 31st March, 2011 is as under:

Type of shareholding	No. of shareholders	Physical Shares	Demat Shares
Equity	3323	206939	6637661
Preference	NIL	NIL	NIL

- (ix) Company's ISIN No.:** : **INE334A01015**

Stock Code

1. BSE, Mumbai : 530759
2. NSE, Mumbai : STERTOOLS

(x) Listing on Stock Exchange

Shares of Sterling Tools Limited are listed on the following stock exchange:

1. Bombay Stock Exchange Limited, Mumbai (BSE) : 1st Floor, Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001
2. National Stock Exchange of India Limited, Mumbai (NSE) : "Exchange Plaza", Plot No. C-1, Bandra Kurla Complex, Bandra (E), Mumbai-400 051

- (xi) Plant Locations** : i. 5A, DLF Industrial Estate, Faridabad 121 003, Haryana
ii. 81, Sector-25, Ballabgarh, Faridabad, Haryana
iii. 49 KM Stone, Delhi Mathura Road, Village-Prithla, Distt.-Palwal, Haryana

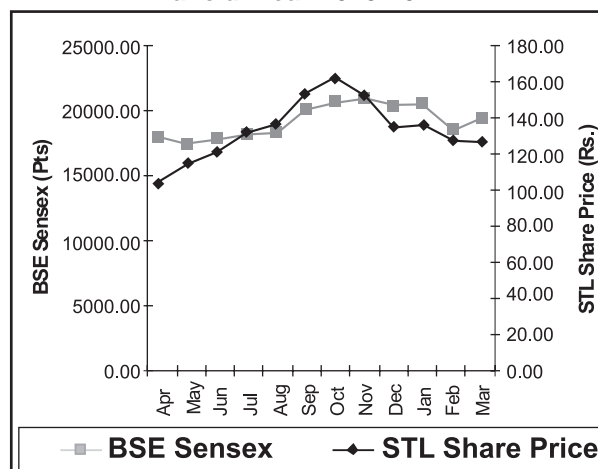
- (xii) Address for correspondence** : Investors and Shareholders are requested to send all correspondence to the Registrar & Transfer Agent at the address given above.

- (xiii) Electronic Clearing Services (ECS)** : The Company is availing of the ECS facility to distribute dividend in main cities to those Members who have opted for it.

(xiv) Market Share price data on BSE during the financial year 2010-2011

Month	High	Low
April 2010	103.95	93.20
May 2010	115.00	97.00
June 2010	122.00	97.30
July 2010	132.80	111.00
August 2010	137.90	122.00
September 2010	154.35	127.15
October 2010	163.00	139.95
November 2010	154.00	119.05
December 2010	136.00	120.00
January 2011	137.00	116.00
February 2011	128.50	115.10
March 2011	127.45	115.30

Stock Price Performance-STL vs BSE Sensex Financial Year 2010-2011



Note: Based on the Monthly highest data of STL (Rs. Per Share) and BSE Sensex (Pts.)

(xv) Shareholding Pattern:

	As on 31 st March 2011		As on 31 st March 2010	
	No. of shares	% to total Capital	No. of shares	% to total Capital
Promoters	4735765	69.19	4735765	69.19
Mutual Funds	22400	0.33	22400	0.33
NRIs and OCBs	31415	0.46	22005	0.32
Body Corporate	358193	5.23	392480	5.73
Indian Public	1696827	24.79	1671950	24.43
Total	6844600	100.00	6844600	100.00

(xvi) Distribution of shareholding as on 31st March, 2011

Nominal Value of each shares – Rs. 10/-

Number of Share Holders	% To Total	Share Holding of Nominal Value of Rs.	No. of shares	Amount in Rs.	% To Total
2912	87.632	1 to 5,000	353150	3531500	5.160
208	6.259	5,001 to 10,000	166617	1666170	2.434
90	2.708	10,001 to 20,000	143150	1431500	2.091
35	1.053	20,001 to 30,000	86930	869300	1.270
7	0.211	30,001 to 40,000	25551	255510	0.373
18	0.542	40,001 to 50,000	84923	849230	1.241
24	0.722	50,001 to 1,00,000	162795	1627950	2.378
29	0.873	1,00,001 & ABOVE	5821484	58214840	85.052
3323	100.00	Total	6844600	68446000	100.00

CEO AND CFO CERTIFICATION

We, Anil Aggarwal, Managing Director and Sanjeev Bharadwaj, Vice President (Finance) of Sterling Tools Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account and all its Schedules and Notes on accounts, as well as the Cash Flow Statements for the year ended 31-03-2011 and to the best of our knowledge and belief :
 - i) these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made or contain statements that might be misleading;
 - ii) the financial statements and other financial information included in this report, present in all material respects, a true and fair view of the company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the Company's code of conduct.
3. The Company's other certifying Officers and we are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - i) Significant changes in internal control over financial reporting during the year.
 - ii) Significant changes in accounting policies during the year and that same have been disclosed in the notes to the financial statements; and
 - iii) Any fraud, which we have become aware and that involves management or an employee having a significant role in the Company's internal control system over financial reporting.

We further declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31-03-2011.

Date: 17th May, 2011

Place: Faridabad

**ANIL AGGARWAL
MANAGING DIRECTOR
DIN No. 00027214**

**SANJEEV BHARADWAJ
VICE PRESIDENT (FINANCE)**

Auditors' Certificate on compliance of conditions of Corporate Governance as per clause 49 of the Listing Agreement with the Stock Exchange

To the Members of

M/S. STERLING TOOLS LIMITED

We have examined the compliance of the conditions of Corporate Governance by Sterling Tools Limited, for the year ended on 31st March 2011, as stipulated in clause 49 of the Listing agreement of the said Company with the stock exchange.

The compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedure and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S.R. Dinodia & Co.
Chartered Accountants**

**(Sandeep Dinodia)
Partner
M. No 83689**

**Place: New Delhi
Dated: 11th May, 2011**

Annexure - IV to Director's Report

Management Discussion and Analysis Report

The Management of Sterling Tools Limited is pleased to present Management Discussion and Analysis Report covering performance for the year 2010–2011 and the outlook for the future. The report contains future predictions for the Company's business based on current scenario:

Industry Structure and Developments

The development of Fasteners Industry is primarily dependent and closely associated with the growth of automobile Industry in India.

As your company is engaged in the business of supply of all type of fasteners to Original Equipment Manufacturers in India which constitute 75% of Company's sales, 20% sales are attributed to Retail Market and rest 5% is to Exports.

The trends in the Automobile industry for the last two years are given below:

DOMESTIC SALE TRENDS:

CATEGORY	2010-11	2009-10	INCREASE %
Passenger Vehicles	2520421	1951333	29.16%
Commercial Vehicles	676408	532721	26.97%
Three Wheelers	526022	440392	19.44%
Two Wheelers	11790305	9370951	25.82%
Grand Total	15513156	12295397	26.17%

(SOURCE OF INFORMATION: SIAM)

EXPORT SALE TRENDS:

CATEGORY	2010-11	2009-10	INCREASE %
Passenger Vehicles	453479	446145	1.64%
Commercial Vehicles	76297	45009	69.51%
Three Wheelers	269967	173214	55.86%
Two Wheelers	1539590	1140058	35.04%
Grand Total	2339333	1804426	29.64%

(SOURCE OF INFORMATION: SIAM)

From the above said data, it can be concluded that Automobile Industry in India had booked in last year a growth of approx. 26% and in Export business it had achieved a growth level of 30% approximately.

Opportunities

The Indian Automobile Industry is currently experiencing an unprecedented boom in demand for all types of vehicles. This boom has been primarily triggered by two factors a) The growth in the disposable incomes and standards of living of Middle Class (b) The liberal policies of government of India which has resulted to growth in the automobile industry in India. The Industry observers predict the growth of

passenger vehicles will grow more and more as the market rises and the Customer' purchasing ability rises. These growth trends encouraged the Multinational Automobile Manufacturers from Japan, USA and Europe to enter into Indian Automobile Market through Joint ventures.

All these growth trends conclude that the future of Indian Automobile Industry is very bright and simultaneously the growth of Fastener Industry will be in rising spirits.

Challenges

The rising Input cost would be a major challenge and consequently cost control would be key area of focus.

Profits margins of the Company would continue to remain under pressure because of increased cost of steel and Power cost which is an another area of concern.

Further Reserve Bank of India has taken measures to curb the inflation through increase in Interest rates which will affect the purchasing power of the consumer resulting in low demand of vehicles ultimately affecting the growth of Fastener Industry.

The another challenge which we predict is competition with Chinese fasteners in the market which being cheap may affect the sales of our products in Retail market and Exports.

Risk & Concerns

The risks that may affect the functioning of the Company include, but are not limited to:

- Economic Conditions
- Increasing cost of raw materials.
- Competitive market conditions.
- Any industrial, particularly automobile, slowdown may affect the demand supply potential affecting profitability of all high tensile fasteners manufacturers in India.
- Compliance and regulatory pressures including changes to tax laws etc.

Your Company has a well defined Risk Management Strategy which is reviewed by the Audit committee/ Board of Directors on regular basis for mitigating risk factors.

Adequacy of Internal Controls

Your Company has developed internal control system in its various business processes commensurate with size and nature of business. In order to have better control, an Independent Audit Firm M/s JRA & Associates reviews the operation and financials of the Company and a detailed report is presented to the Management for discussions and future compliances.

The significant findings of the Internal Audit Team is reported to the Audit Committee on quarterly basis in form of an Executive Summary and appropriate remedial measures are taken.

The Audit Committee reviews the adequacy of Internal Controls periodically to meet the requirements of the Company.

Review of Operations

Net Sales for the financial year ended March 31, 2011 at Rs. 24793.51 Lacs did show an increase of 38.11% against Rs. 17952.54 Lacs for the previous financial year despite enormous competition in automotive and other sector.

- Operating profit, excluding other income was Rs. 3576.93 Lacs for the financial year 2010-2011 increased by 18.92% as compared Rs. 3007.85 Lacs for the financial year 2009-2010.
- Operating margin was 14.43% for the financial year 2010-2011 as against 16.75% for the financial year 2009-2010.
- Other income was Rs. 70 Lacs for the financial year 2010-2011 increased by 82.70% as against Rs. 39 Lacs for the financial year 2009-2010.
- Interest expenses were Rs. 590 Lacs for the financial year 2010-2011 as against Rs. 534 Lacs for the financial year 2009-2010.
- Corporate tax liability including Deferred, Fringe Benefit and Wealth Tax Liability for the financial year was Rs. 793.09 Lacs for the financial year 2010-2011 as against Rs. 705.25 Lacs for the financial year 2009-2010.
- Net profit was Rs. 1573 Lacs for the financial year 2010-2011 increased by 35.73% as against Rs. 1159 Lacs for the financial year 2009-2010.
- Paid up equity share capital as on March 31, 2011 stood at Rs. 684.46 Lacs
- Earnings Per share (EPS) for the year is Rs. 23.16/- for the financial year 2010-2011 as against Rs. 16.93/- for the financial year 2009-2010.
- Cash Earnings Per Share (CEPS) was Rs. 32.37 for the financial year 2010-2011 as against Rs. 26.12 for the financial year 2009-2010.
- STL has contributed a foreign exchange to the tune of Rs. 1268.83 Lacs for the financial year 2010-2011 as against Rs. 572.60 Lacs for the financial year 2009-2010.

Human Resources Development

The overall development of Human Resources and to maintain good Industrial relations is one of the objects of your Company. Your Company believes that Human resources are the most important factor of production as they enable the Company to achieve the objectives of its set-up.

Your Company is continuously working on providing safe, hygiene and lively working atmosphere of working and providing various opportunities in the form of job trainings, personality development training, awards for good working, recognition on new achievements in the form of Kaizens and various other facilities to nurture the economical, social and financial needs of the employees.

The Company employed 609 persons during the financial year under review.

Cautionary Statement

Statements in this management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectation may be "forward looking statement" within the meaning of applicable laws and regulations. Actual results might differ from those either expressed or implied. Important factors that could affect the Company's performance include economic developments within the country, demand and supply conditions in the Industry, changes in the Government regulations, tax laws and other factor such as litigation and industrial relations.

AUDITORS' REPORT

TO THE MEMBERS OF M/S STERLING TOOLS LIMITED

1. We have audited the attached balance sheet of **M/S STERLING TOOLS LIMITED**, as at **31 March 2011**, the profit and loss account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes (a) examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement (b) assessing the accounting principles used in the preparation of the financial statements (c) assessing significant estimates made by management in the preparation of the financial statements and (d) evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 [as amended by the Companies (Auditor's Report) (Amendment) Order 2004] issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors as on 31 March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required; and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the balance sheet, of the state of affairs of the Company as at 31 March 2011;
 - (b) in the case of the profit and loss account, the profit for the year ended on that date; and
 - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For S.R.DINODIA & CO.
CHARTERED ACCOUNTANTS
Reg. No. 01478N

(SANDEEP DINODIA)
PARTNER
M. NO. 83689

PLACE: NEW DELHI
DATE: 17th May, 2011

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our audit report of even date)

RE: M/S STERLING TOOLS LIMITED

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- (ii) (a) The inventory, except goods in transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noted between the stocks as per physical verification and the book records have been properly dealt with in the books of account.
- (iii) As informed, the Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, provisions of paragraph 4(iii) (b), (c), (d), (f) and (g) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices, there is no continuing failure to correct the weaknesses in the aforesaid internal control systems.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to explanation given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained u/s 301 of the Companies Act, 1956 and exceeding values of Rs.5 Lacs have been made at prices which are reasonable with regard to the prevailing market prices at the relevant times.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of section 58A, 58AA and the other relevant provisions of the Companies Act, 1956 and rules framed there-under.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the

Companies Act, 1956 and are of the opinion that, prime facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view of determine whether they are accurate or complete.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Customs duty, Excise duty, Service tax, Investor Education and Protection Fund and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities,

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs duty, Service tax, Investor Education and Protection Fund and cess and other material statutory dues were in arrears as at 31 March 2011 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Customs duty, Sales tax, Wealth tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.

The following dues of Excise duty and Service tax have not been deposited by the Company on account of dispute:

Name of the Statute	Nature of Dues	Amount (Rupees)	Period to which amount relates	Forum where dispute is pending
Central Excise Act	Excise Duty	335,825	2006-2007	'Faridabad' Range-24
		451,784	2006-2007	'Faridabad' Range-17
		30,073,430	2006-2007, 2007-2008 & 2008-2009, (up to September 2008)	'Faridabad' Range-8
		189,015,254	June 2006-Dec 2008	CESTAT, New Delhi
		106,987,422	January 2009-Oct 2010	CESTAT, New Delhi

- (x) The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks during the year. There were no dues payable to any financial institution or debenture holders.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiii) The company is not a chit fund or a nidhi mutual benefit fund society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) The company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

- (xv) In our opinion and on the basis of information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xvi) On the basis of information and explanation given to us, we are of opinion that the term loans were applied for the purposes for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on the basis of an overall examination of the balance sheet of the company, in our opinion, funds raised on short term basis have not been used for long term investments.
- (xviii) During the year, the Company has not allotted any shares on preferential basis to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year. Therefore, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xx) According to the information and explanation given to us, the company has not raised any money by way of public issue during the period covered under audit. Therefore, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xxi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

**For S.R.DINODIA & CO.
CHARTERED ACCOUNTANTS
Reg. No. 01478N**

**(SANDEEP DINODIA)
PARTNER
M. NO. 83689**

**PLACE: NEW DELHI
DATE: 17th May, 2011**

Balance Sheet as at March 31, 2011

(Amount in Rs.)

PARTICULARS	Schedule	As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	68,446,000	68,446,000
Reserves & Surplus	2	644,301,080	525,529,918
		712,747,080	593,975,918
LOAN FUNDS			
Secured Loans	3	769,689,691	561,354,610
DEFERRED TAX LIABILITY		93,925,490	89,600,256
(Refer to note 2j of Schedule 16)			
		1,576,362,261	1,244,930,784
APPLICATION OF FUNDS			
FIXED ASSETS			
	4		
Gross Block		1,345,514,775	1,177,782,300
Less : Depreciation		471,906,508	411,136,338
Net Block		873,608,267	766,645,962
Capital work in progress		245,853	4,016,274
		873,854,120	770,662,236
Investment	5	17,500,000	-
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	6	373,420,218	221,443,036
Sundry Debtors	7	399,357,842	313,905,543
Cash & Bank balances	8	75,819,811	16,898,409
Loans & Advances	9	106,306,370	82,496,639
		954,904,241	634,743,627
CURRENT LIABILITIES AND PROVISIONS			
	10		
Current Liabilities		213,529,604	130,847,136
Provisions		56,366,496	29,627,943
		269,896,100	160,475,079
NET CURRENT ASSETS		685,008,141	474,268,548
		1,576,362,261	1,244,930,784

Significant Accounting

Policies & Notes to the account

16

As per our report of even date attached

For & on behalf of the Board

For S. R. DINODIA & CO.
CHARTERED ACCOUNTANTS
Reg. No. 001478N

(M. L. Aggarwal)
Chairman
DIN No.00027380

(Anil Aggarwal)
Managing Director
DIN No.00027214

(SANDEEP DINODIA)
Partner
M.No. 083689

(Sanjeev Bharadwaj)
Vice President (Finance)

(Vaishali Singh)
Company Secretary

PLACE: NEW DELHI
DATED: 17th May, 2011

Profit & Loss Account for the year ended March 31, 2011

(Amount in Rs.)

PARTICULARS	Schedule	Year ended March 31, 2011	Year ended March 31, 2010
INCOME			
Sales (Gross)		2,724,774,100	1,945,172,021
Less : Excise Duty		245,423,078	149,918,495
Sales (Net)		2,479,351,022	1,795,253,526
Other Income	11	7,033,758	3,849,540
Accretion / (Reduction) to Stock	12	98,651,319	50,111,952
		2,585,036,099	1,849,215,018
EXPENDITURE			
Manufacturing & other expenses	13	2,018,849,225	1,380,279,164
Personnel Expenses	14	201,460,299	164,301,380
Finance Charges	15	63,851,864	55,314,681
Depreciation	4	64,266,406	62,906,631
		2,348,427,794	1,662,801,856
PROFIT BEFORE TAX		236,608,305	186,413,162
Less: Provision for tax			
- Current Tax		74,900,000	63,800,000
- Deferred Tax		4,325,234	6,654,754
- Wealth Tax		84,000	70,400
		79,309,234	70,525,154
PROFIT AFTER TAX		157,299,071	115,888,008
Add/(Less) Tax adjustments for earlier years		1,246,917	-
Add : Balance brought forward from the previous year		358,347,272	294,445,589
BALANCE AVAILABLE FOR APPROPRIATIONS		516,893,260	410,333,597
Provision for Final Dividend		34,223,000	13,689,200
Provision for Tax on Final Dividend		5,551,826	2,273,605
Interim Dividend Paid		-	20,533,800
Tax paid on Interim Dividend		-	3,489,720
Transfer to General Reserve		16,000,000	12,000,000
		55,774,826	51,986,325
BALANCE CARRIED FORWARD TO THE BALANCE SHEET		461,118,434	358,347,272
BASIC / DILUTED EARNING PER SHARE (Equity Shares, Par Value Rs 10 each) (Refer Note No. 2i) of Schedule 16)		23.16	16.93
No of Shares Used in Computing Earnings Per Share (Basic & Diluted)		6,844,600	6,844,600
Significant Accounting Policies & Notes to the account	16		

As per our report of even date attached

For & on behalf of the Board

For S. R. DINODIA & CO.
CHARTERED ACCOUNTANTS
Reg. No. 001478N

(SANDEEP DINODIA)
Partner
M.No. 083689

(M. L. Aggarwal)
Chairman
DIN No.00027380

(Anil Aggarwal)
Managing Director
DIN No.00027214

(Sanjeev Bharadwaj)
Vice President (Finance)

(Vaishali Singh)
Company Secretary

PLACE: NEW DELHI
DATED: 17th May, 2011

Cash Flow Statement for the year ended 31 March, 2011

(Amount in Rs.)

	Year Ended March 31, 2011	Year Ended March 31, 2010
A. Cash Flow from operating activities		
Net Profit before tax	236,608,305	186,413,162
Adjustments for :		
Depreciation (Net)	64,266,406	62,906,631
Unrealised Foreign Exchange (Gain)/Loss	(1,968,573)	1,778,693
(Profit)/Loss on sale of fixed assets	(330,765)	541,208
Interest Expenses	58,983,219	53,438,336
Operation profit before working capital changes	357,558,592	305,078,030
Adjustment for :		
Trade Receivables	(85,452,299)	(14,553,251)
Other Recievables	(24,174,366)	(44,340,766)
Inventories	(151,977,182)	(89,949,070)
Trade Payables	80,787,818	(13,381,277)
Other Liabilities	1,894,650	11,164,714
Provisions	(3,298,183)	(7,307,954)
	(182,219,562)	(158,367,604)
Net Cash generated from operations	175,339,030	146,710,426
Direct taxes paid	(67,147,733)	(51,743,804)
Net cash from operating activities (A)	108,191,297	94,966,622
B. Cash flow from investing activities		
Purchase of fixed assets	(168,583,348)	(49,004,267)
Sale of fixed assets	1,855,000	4,338,772
Investment in Joint Venture Company	(17,500,000)	-
Net cash used in investing activities (B)	(184,228,348)	(44,665,495)
C. Cash flow from financing activities		
Proceeds from long-term borrowings- from banks	239,638,879	8,060,644
Dividend paid including Dividend Tax	(15,962,805)	(32,031,360)
Repayment of long-term borrowings-to banks	(86,767,749)	(25,555,883)
Short Term Borrowings	55,463,950	58,064,858
Interest paid	(59,382,395)	(53,458,750)
Net cash used in financing activities (C)	132,989,880	(44,920,491)
Net increase in cash & cash equivalent (A+B+C)	56,952,829	5,380,636
Cash and cash equivalents as at 01.04.2010 (Opening Balance)	16,898,409	13,296,466
Unrealised Foreign Exchange Gain/(Loss)	1,968,573	(1,778,693)
Cash and cash equivalents as at 31.03.2011 (Closing balance)	75,819,811	16,898,409

Notes:-

- All figures in brackets are outflows.
- Cash & Cash Equivalent is Cash & Bank Balances as per Balance Sheet.
- Previous year figures have been regrouped/ restated wherever necessary.

As per our report of even date attached

For & on behalf of the Board

For S. R. DINODIA & CO.
CHARTERED ACCOUNTANTS
Reg. No. 001478N

(M. L. Aggarwal)
Chairman
DIN No.00027380

(Anil Aggarwal)
Managing Director
DIN No.00027214

(SANDEEP DINODIA)
Partner
M.No. 083689

(Sanjeev Bharadwaj)
Vice President (Finance)

(Vaishali Singh)
Company Secretary

PLACE: NEW DELHI
DATED: 17th May, 2011

Schedules forming part of the accounts

(Amount in Rs.)

	As at March 31, 2011	As at March 31, 2010
SHARE CAPITAL		Schedule 1
AUTHORISED		
10,000,000 (P.Y. 10,000,000) equity Shares of Rs. 10/- each	100,000,000	100,000,000
ISSUED, SUBSCRIBED & PAID UP		
6,844,600 (P.Y. 6,844,600) equity Shares of Rs. 10/- each, fully paid up	68,446,000	68,446,000
	68,446,000	68,446,000

Notes :

Out of the above :

(1) 2,280,000 equity shares were allotted as fully paid up bonus shares by capitalisation of general reserve.

(2) 3,422,300 equity shares were allotted as fullypaid up bonus shares by capitalisation of Securities Premium Account.

RESERVES & SURPLUS				Schedule 2
Capital Reserve				
Shares Forfeited	67,500		67,500	
Capital Reserve	597,250	664,750	597,250	664,750
Securities Premium		34,071,500		34,071,500
General Reserve				
As per last Balance Sheet	132,446,396		120,446,396	
Add : Transfer from Profit and Loss Account	16,000,000	148,446,396	12,000,000	132,446,396
Surplus				
Profit and Loss Account		461,118,434		358,347,272
		644,301,080		525,529,918

SECURED LOAN				Schedule 3
From Banks				
A. Working Capital facilities		377,297,847		321,833,897
B. Working Capital Term Loan		150,000,000		-
C. Other Term Loans		241,176,997		236,356,275
D. Vehicle Loan		758,397		2,129,918
From Others				
A. Vehicle Loan		456,450		1,034,520
		769,689,691		561,354,610

Notes :

1. Bank Loans

- Working Capital loans are secured by hypothication of Stock in Trade, Receivables, Mortgage of Certain Land and Building, All plant and machinery and other fixed assets and personal guarantee by some of the Directors of the Company.

- Other Term Loan are Secured by first mortgage of Certain Land & Building, All Plant & Machinery including future Plant & Machine & other fixed assets and hypothication of Movable Assets, and personal guarantee by some of the Directors of the Company.

- Term Loans (Including Working Capital Term Loan) repayable within one year Rs. 106,496,283/- (Previous year : Rs.85,716,704/-)

2. Vehicle Loans

- Secured by Hypothecation of respective Vehicles.

- Repayble within one year Rs. 1,090,474 (Previous year Rs. 1,994,328)

Schedules forming part of the accounts

(Amount in Rs.)

Fixed Assets		Schedule 4						
		Gross Block		Depreciation		Net Block		
Particulars	As at 01.04.2010	Additions during the year	Deductions/ Adjustment during the year	As at 31.03.2011	Upto 01.04.2010	For the Adjustment year during the year	Upto 31.03.2011	As at 31.03.2010
TANGIBLE ASSETS								
LAND- (Free hold)	77,636,222	-	-	77,636,222	-	-	-	77,636,222
BUILDING	219,787,403	-	-	219,787,403	41,244,489	7,292,000	48,536,489	171,250,914
PLANT & MACHINERY *	846,024,412	167,967,097	4,301,455	1,009,690,054	357,215,140	53,993,707	3,252,003	407,956,844
FURNITURE & FITTINGS	10,438,662	715,407	-	11,154,069	5,424,907	654,513	-	6,079,420
VEHICLES	23,895,601	2,302,016	719,015	25,478,602	7,251,802	2,277,066	244,235	9,284,632
INTANGIBLE ASSETS								
SOFTWARE	-	1,768,425	-	1,768,425	-	49,123	-	49,123
GRAND TOTAL	1,177,782,300	172,752,945	5,020,470	1,345,514,775	411,136,338	64,266,409	3,496,238	471,906,508
PREVIOUS YEAR	1,142,367,115	49,850,235	14,435,050	1,177,782,300	357,784,776	62,906,631	9,555,069	411,136,338
CAPITAL WORK IN PROGRESS	4,016,274	245,853	4,016,274	245,853				245,853
								4,016,274

Notes:

A) * Includes interest amount of Rs 399,176/- (Previous year 20,414/-) which was capitalised during the year as per AS-16 "Borrowings Cost"

(B) Capital WIP includes Capital Advances of Rs 245,853/- (Previous Year Rs 3,937,497)

Schedules forming part of the accounts

(Amount in Rs.)

	As at March 31, 2011	As at March 31, 2010	
INVESTMENTS			Schedule 5
Long Term, Trade Investments (Unquoted)			
In Joint Venture Company			
1,750,000 Equity Shares (Previous year Nil) of Rs 10/- each fully paid up Sterling Fabory India Pvt Ltd.	17,500,000	-	
	17,500,000	-	
INVENTORIES			Schedule 6
(As taken valued and certified by the management)			
Raw Materials	102,863,643	62,124,997	
Goods in Transit-Raw Material	315,662	394,113	
Work in Progress	100,208,422	47,051,604	
Finished Goods(including stock in transit)	132,839,074	87,624,825	
Scrap	337,118	56,866	
Stores & Spare Parts	29,439,772	21,332,963	
Loose Tools	7,416,527	2,857,668	
	373,420,218	221,443,036	
SUNDRY DEBTORS			Schedule 7
Debts Outstanding for a period exceeding six months			
- Unsecured - considered good	299,032	5,256,058	
- considered doubtful	15,168,604	5,017,647	
	15,467,636	10,273,705	
Less; Provision for Doubtful debts	15,168,604	299,032	5,256,058
Other debts- Considered Good			
- Secured	-	100,000	
- Unsecured	399,058,810	308,549,485	
	399,357,842	313,905,543	
CASH & BANK BALANCES			Schedule 8
Cash in hand	580,594	394,141	
Balances with Scheduled banks :			
- In Current Accounts	61,725,284	9,071,058	
- In Fixed Deposit Accounts *	11,801,730	5,569,730	
- In Dividend Accounts	1,712,203	75,239,217	16,504,268
	75,819,811	16,898,409	

* Fixed Deposit receipts are pledged with the bank as margin for letters of credit / bank guarantee issued by them.

Schedules forming part of the accounts

(Amount in Rs.)

	As at March 31, 2011	As at March 31, 2010
LOANS & ADVANCES		Schedule 9
(Unsecured, considered good)		
Advances recoverable in cash or in kind, or for value to be received	79,212,395	62,066,386
Balances with Customs, Excise, Port Trusts etc	27,093,975	20,065,618
Advance Fringe Benefit Tax	-	364,635
Net of Provision Rs NIL (Previous Year Rs.6,936,000)		
	106,306,370	82,496,639
CURRENT LIABILITIES AND PROVISIONS		Schedule 10
Current Liabilities		
Sundry Creditors		
- Due to Micro, Small and Medium Scale Enterprises (Refer Note no. 2g) of schedule 16)	5,040,845	3,228,876
- Other's	184,394,999	189,435,844 105,419,150 108,648,026
Unclaimed Dividend	1,712,203	1,863,480
(It does not contain any amount due to Investor Protection Fund.)		
Other Liabilities	22,381,557	20,335,630
	213,529,604	130,847,136
PROVISIONS		
Provision for Income Tax Net of Advance Income Tax Rs 141,623,600 (P.Y RS 133,321,175)	12,196,400	5,998,825
Provision For Fringe Benefit Tax Net of Advance Tax Rs 2,230,228 (Previous Year Rs NIL)	28,772	-
Provison for Wealth Tax	84,000	85,632
Proposed Dividend	34,223,000	13,689,200
Tax on Proposed Dividend	5,551,826	2,273,605
Provision for Employee Benefits (Refer note no. 2m) of Schedule 16)	4,282,498	3,357,427
Provision for Expenses (Refer note no. 2p) of Schedule 16)	-	4,223,254
	56,366,496	29,627,943
GRAND TOTAL	269,896,100	160,475,079

Note: Other Liability includes amount due to Directors Rs.5,496,008 (previous year Rs.6,823,561). Maximum amount due Rs. 5,496,008 (previous year Rs. 6,823,561)

Schedules forming part of the accounts

(Amount in Rs.)

	Year ended March 31, 2011	Year ended March 31, 2010
OTHER INCOME		Schedule 11
Interest Received		
- on fixed deposits with banks	583,396	363,383
Tax deducted at source Rs.58,477 (Previous year Rs.41,723)		
-on income tax refund	1,074,237	-
Exchange Fluctuation	1,968,573	-
Export Incentive	1,920,031	2,338,250
Miscellaneous Income	1,156,756	1,147,907
Profit on sale of Fixed Assets (Net)	330,765	-
	7,033,758	3,849,540

ACCRETION/ (REDUCTION) TO STOCKS		Schedule 12	
Products, Work in Progress & Scrap			
Closing stock - Finished Goods	132,839,074	87,624,825	
- Work in progress	100,208,422	47,051,604	
- Scrap	337,118	56,866	
	233,384,614		134,733,295
Less:			
Opening stock - Finished Goods	87,624,825	47,458,058	
- Work in progress	47,051,604	36,952,109	
- Scrap	56,866	211,176	
		134,733,295	84,621,343
Accretion/ (Reduction) to Stocks	98,651,319		50,111,952

MANUFACTURING & OTHER EXPENSES		Schedule 13	
Raw Material Consumed			
Opening Stock	62,124,997	22,577,613	
Add : Purchases	1,268,786,337	856,752,330	
	1,330,911,334	879,329,943	
Less : Closing Stock	102,863,643	1,228,047,691	62,124,997
Other Manufacturing Expenses	86,033,779		68,119,654
Packing Material Consumed	42,944,530		28,656,938
Consumable Stores & Tools	211,578,437		156,292,597
Increase/(Decrease) in Excise Duty	3,638,090		5,153,800
Power & Fuel	167,748,798		123,336,545
Rent (Refer to Note no. 2l) of Schedule 16)	6,239,800		5,779,832
Repairs : Building	10,924,783		7,487,434
: Plant & Machinery	72,448,476		37,457,239
: Others	7,151,797		5,460,317
Insurance	2,201,667		2,122,776
Rates and Taxes	1,952,283		2,801,108
Travelling & Conveyance Expenses	18,076,397		15,076,994
Audit Fees (Refer to Note no. 2c) of Schedule 16)	440,000		440,000
Freight Outward	59,255,193		36,505,707
Legal & Professional Expenses	4,426,038		6,009,953
Directors Meeting/Committee Sitting Fees	520,000		460,000

Schedules forming part of the accounts

(Amount in Rs.)

	Year ended March 31, 2011	Year ended March 31, 2010
Contd..		
Loss on Sale of Fixed Assets (Net)	-	541,208
Provision for Doubtful Debts	10,150,957	3,778,580
Bad Debts Written off	7,991,122	-
Cash Discount	19,676,325	12,886,658
Miscellaneous Expenses	41,756,147	29,701,532
Advertisement & Publicity	272,155	239,150
Sales Promotion	5,676,615	3,479,763
Exhibition & Seminar Expenses	1,906,555	2,120,462
Communication Expenses	2,792,012	2,758,792
Exchange Fluctuation	-	1,778,693
Charity & Donations	284,320	309,620
Printing & Stationery	4,715,258	4,318,866
	2,018,849,225	1,380,279,164

PERSONNEL EXPENSES

Schedule 14

Salary, Wages & Bonus	180,320,267	148,896,864
Contribution to/Provisions for Provident & Other Funds	13,167,278	10,356,604
Employee Welfare Expenses	7,972,754	5,047,912
	201,460,299	164,301,380

FINANCIAL CHARGES

Schedule 15

Interest		
- On fixed loans	57,043,319	53,085,763
- On Others	1,939,900	352,573
Bank Charges	4,868,645	1,876,345
	63,851,864	55,314,681

Schedules forming part of the accounts

Significant Accounting Policies and Notes to Account

Schedule 16

1. Significant Accounting Policies

a. Basis of Accounting

The financial statements of Sterling Tools Limited ("the Company") have been prepared under the historical cost convention in accordance with the Indian Generally Accepted Accounting Principles ("GAAP"), mandatory accounting standards and the provisions of the Companies Act, 1956 ("the Act") as adopted consistently by the Company. All income and expenditure having a material bearing on the financial statement are recognized on accrual basis.

b. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Examples of such estimates include estimated provision for doubtful debts, future obligations under employee retirement benefit plans and estimated useful life of fixed assets. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

c. Fixed Assets and Depreciation

Fixed assets are stated at cost of acquisition inclusive of freight, duties & taxes and incidental expenses related to acquisition up to the date of installation. Cost of Fixed assets are further adjusted by the amount of Modvat/Cenvat credit availed and VAT credit wherever applicable. Fixed assets under construction, advance paid towards acquisition of fixed assets and cost of assets not put to use before year end, are shown as capital work in progress. Interest and finance charges incurred are allocated to the respective fixed assets on installation. Software which are not an integral part of related hardware, is treated as intangible asset and amortized over a period of three years or its licensed period, whichever is less.

Depreciation on fixed assets is provided, on straight line method, at the rates prescribed in Schedule XIV to the Companies Act, 1956. The depreciation on assets acquired/sold/discarded during the year is provided from/up to the month in which the asset is commissioned/sold/discarded except in case of fixed assets costing up to Rs. 5,000/- where, depreciation is provided for whole year.

d. Revenue recognition

Domestic and export sales are recognised on transfer of significant risks and rewards to the customer, which takes place on dispatch of goods from the factory/ storage area and port respectively. The sales are accounted for net of trade discount, sales tax, sale returns but includes excise duty and price variations.

e. Purchases

Purchases are recognized upon receipt of such goods by the Company. Purchases of imported goods are recognised after completion of custom clearance formalities and upon receipt of such goods by the Company at the factory.

f. Inventories

Inventories are valued at the lower of cost and net realizable value. The cost of raw material is determined on the basis of First-in-First-Out (FIFO) method.

The cost of manufactured finished goods and work-in-progress includes raw material value determined on the basis of First-in-First-Out (FIFO) method and includes conversion and other costs incurred in bringing the inventories to their present location and condition. Finished manufactured goods also include excise duty.

Provision is made for cost of obsolescence and other anticipated losses wherever considered necessary.

Stores & Consumables, Packing Materials and Tools & Dies are valued at lower of net realizable value or cost on the basis of First-in-First-Out (FIFO) method.

Stock in Transit is valued at lower of cost and net realizable value. Scrap is valued at estimated net realizable value.

g. Employee's Benefits

Expenses and Liabilities in respect of employee benefits are recorded in accordance with Revised Accounting Standard 15 - Employees Benefits (Revised 2005) issued by the Company (Accounting Standard) Rules, 2006.

Post Employment Benefit Plans

Payments to Defined Contribution Retirements Benefit Schemes are charged as an expense as they fall due.

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

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

Short Term Employee Benefits

All employees benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related services.

h. Borrowing Cost

Borrowing costs that are attributable to the acquisition for construction of qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

i. Modvat Claim

Modvat claim on raw material purchased is credited to cost of material. In case of capital goods it is reduced from the cost of assets.

j. Foreign Currency Transactions

The transactions in foreign currency are initially accounted for at the rate prevailing as on the transaction date. Gain / (Loss) arising out of fluctuation in rate between transaction date and settlement date are recognized in the profit & loss account.

The monetary items denominated in the foreign currency are stated at the exchange rate prevailing at the year end and the overall net gain/ (loss) is adjusted to the profit & loss account.

Forward contracts, other than those entered into hedge currency risk on unexpected firm commitments or highly probable forecast transactions, are treated as foreign currency transactions and accounted accordingly as per Accounting Standard (AS) 11 ["The Effects of Changes in Foreign Exchange Rates"]. Premium paid on foreign currency forward contract is accounted as expense over the period of the contract.

k. Investments

Long term investments are stated at cost unless there is a diminution of permanent nature, if any. Current Investments are carried at lower of cost or fair value.

l. Taxes on Income

Income taxes are accrued in the same period in which the related revenue and expenses arise. The differences that result between the taxable profit and the profit as per the financial statement are identified and thereafter deferred tax assets or deferred tax liabilities are recorded as timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only if there is reasonable certainty that they will be realized in future. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only to the extent there is virtual certainty of such assets. Such assets are reviewed for appropriateness of their respective carrying values at each balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance taxes paid and income tax provisions.

m. Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to the maximum of depreciated historical cost and is accordingly reversed in the profit and loss account.

n. Provisions, Contingent Liabilities and Contingent Assets

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

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

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

o. Leases

Lease arrangements where the risks and rewards incident to the ownership of assets substantially vests with the lessor, are recognized as operating leases. Lease rent under operating leases are recognized under profit and loss account on a straight line basis over the lease term.

p. Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

q. Cash Flow Statement

Cash flows are reported using the indirect method as specified in Accounting Standard (AS-3) "Cash Flow Statement".

r. Segmental Reporting

- i. The Company is engaged in manufacture of high tensile fasteners. The entire operations are governed by same set of risk and returns, hence, the same has been considered representing a single primary segment. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard-17 on Segment Reporting issued by Company (Accounting Standard) Rules, 2006.
- ii. The Company sells its products mostly within India with insignificant export income and does not have any operations in economic environments with different risks and returns, hence, its considered operating in single geographical segment.

2. Notes to Account

- a. Estimated amount of contracts remaining to be executed on the capital account and not provided for in the account Rs.924,761 (Previous year Rs. 4,827,913).

b. Contingent Liabilities not provided for:

	(Amount in Rs.)	
	As At 31 st March, 2011	As At 31 st March, 2010
Bills Discounted	74,008,336	8,715,781
Disputed Liability under Central Excise Act *	299,863,715	24,459,305
Letter of Credit (Net of Margin)	132,555,964	81,649,792

* Against which the Company has filed the appeal.

The Company has provided a guarantee towards repayment of EMI of car loans taken by the employees from MUL for which deductions are made from the salaries of respective employees. The outstanding loan amount at the year end is Rs1,262,625 /- (Previous Year Rs 22,54,593/-).

c. Payment to the Auditors

	(Amount in Rs.)	
	Current year	Previous year
Audit fee	375,000	375,000
Tax Audit Fee	65,000	65,000
Other Matters	142,500	135,000
Service Tax	63,919	57,468
Out of Pocket expenses	49,165	59,417
TOTAL	695,584	691,885

d. Remuneration to the Managing Director and Whole-Time Directors

(Amount in Rs.)		
	Current year	Previous year
Managing / Wholetime Director		
Salary	12,792,000	10,755,000
Medical reimbursement	71,574	4,771
Contribution to Provident Fund	1,319,040	1,074,600
Commission	7,500,000	6,276,876
Perquisites:		
Other perquisites	470,272	384,987
TOTAL (A)	22,152,886	18,496,234
Non Executive Director		
Sitting Fees (B)	520,000	460,000
TOTAL (A+B)	22,672,886	18,956,234

e. Computation of Net Profit as per Section 349 of Companies Act 1956 for calculation of Commission payable to Managing Directors & Whole-Time Directors.

(Amount in Rs.)		
	Current year	Previous year
Profit as per Profit and Loss Account	236,608,305	186,413,162
Add : Depreciation charged to the Profit and Loss Account	64,266,406	62,906,631
: Loss/(Profit) on sale of fixed assets debited to Profit and Loss Account	(330,765)	541,208
: Provision for Doubtful Debts	10,150,957	3,778,580
: Managerial Remuneration	14,652,886	12,219,358
: Directors sitting fee	520,000	460,000
: Commission	75,00,000	6,276,876
Less : Depreciation Charged to Profit & Loss A/c	64,266,406	62,906,631
Net Profit as per Section 349 of the Companies Act, 1956	269,001,383	209,689,184
Maximum Permissible remuneration to Managing/ Whole time Directors as per Section 198 and 309 of the Companies Act 1956	26,900,138	20,968,918
Remuneration Paid as per service agreement to Managing/ Whole time Directors including Commission	22,672,886	18,956,234

f. Additional information pursuant to Para 3 & 4 of part II of Schedule VI to the Companies Act, 1956, is as under:

i) Quantitative information in respect of goods manufactured

	Current Year Qty (MT)	Previous year Qty (MT)
High Tensile Fasteners		
Licensed Capacity	Not applicable	Not applicable
Installed Capacity	35,000.000	22,500.000
Actual Production	21,524.593	17,050.804

Note:

Installed Capacity, being a technical matter is taken on the basis of certificate of the management.

ii) Particulars Opening Stock, Closing Stock and Sales

High Tensile Fasteners	Current Year		Previous Year	
	Qty (MT)	Amount (Rs.)	Qty(MT)	Amount (Rs.)
Opening Stock	1,093.724	87,624,825	444.169	47,458,058
Closing Stock	1,310.533	132,839,074	1,093.724	87,624,825
Shortage/(Excess)	-		(0.184)	
Sales	21,307.784	2,452,553,857	16,401.433	1,775,458,895
Scrap Sales	-	26,797,165	-	19,794,631

iii) Raw Material Consumed

	Current Year		Previous Year	
	Qty (MT)	Amount (Rs.)	Qty(MT)	Amount (Rs.)
Cold Head Quality Steel Wire/Wire Rods Straight Length Bar	24,042.40	1,228,047,691	19,131.344	817,204,946

iv) CIF value of imports

	(Amount in Rs.)	
	Current Year	Previous year
Raw Materials	338,118,675	209,633,414
Consumable stores & tools	34,004,134	21,567,924
Capital goods	83,093,593	9,795,896

v) Raw Material and stores consumed

	Current year		Previous year	
	Rs.	%	Rs.	%
Raw Materials				
Imported	319,042,235	25.98	205,288,115	25.12
Indigenous	909,005,456	74.02	611,916,831	74.88
	1,228,047,691	100.00	817,204,946	100.00
consumable Stores				
Imported	34,004,134	16.07	21,567,924	13.80
Indigenous	177,574,303	83.93	134,724,673	86.20
	211,578,437	100.00	156,292,597	100.00

vi) **Expenditure in foreign currency**

	Current year Rs.	Previous year Rs.
Traveling	1,097,036	1,203,208
Others	3,846,587	365,184
	4,943,623	1,568,392

vii) **Earnings in foreign exchange**

	Current year Rs.	Previous year Rs.
Export of goods (FOB)	126,883,136	57,259,627

- g. Pursuant to amendments to schedule VI to Companies Act, 1956 vide notification number GSR 719 (E) dated November 16, 2007, the amount due as of March 31, 2011 due to Micro, small & medium enterprises as defined in Industries (Development and Regulation) Act, 1951 is as given below :

(Amount in Rs.)

	Current Year	Previous Year
i) The Principal Amount & Interest due thereon remaining unpaid to any supplier as at March 31, 2011		
Principal Amount	5,040,845	3,228,876
Interest	34,305	6,351
ii) The amount of Interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	34,305	6,351
iii) The amount of Interest accrued and remaining unpaid for the year ending March 31, 2011	34,305	6,351

This information has been compiled in respect of parties to the extent they could be identified as Micro, Small-scale and Medium Enterprises on the basis of information available.

h. **Related Party Disclosure - (Accounting Standard -18)**

Name of the Related Parties and description of relationship:

- | | |
|---------------|---|
| I. Associates | Sterling Fincap Pvt Ltd.
(Formerly Precision Wire Products Pvt Ltd)
Haryana Ispat Pvt. Ltd.
Sterling Technologies Pvt Ltd.
Prism Global Creative Products Pvt. Ltd.
Sterling Automobiles Pvt. Ltd.
Sterling Mobike Pvt.Ltd.
(Formerly Supreme MetalForms Pvt. Ltd).
Jaycee Automobiles Pvt. Ltd.
Sterling Metal Fabriks Pvt Ltd.
Anuradha Mittal Benefit Trust
M. L. Aggarwal - HUF
Anil Aggarwal - HUF
Atul Aggarwal - HUF |
|---------------|---|

II. Key Management Personnel	Mr. M. L. Aggarwal - Chairman Mr. Anil Aggarwal - Managing Director Mr. Atul Aggarwal - Whole Time Director
III Joint Venture Company	Sterling Fabory India Pvt. Ltd

Disclosure of Related Parties Transactions:

Transaction with Associates	(Amount in Rs.)	
	Current Year	Previous Year
Sale of Assets		
Sterling Automobile Pvt. Ltd.	375,500	410,000
Repair and Maintenance (Vehicle) Expenses paid		
Sterling Automobile Pvt. Ltd.	358,572	336,893
Jaycee Automobile Pvt. Ltd.	241,184	38,679
Rent paid		
Haryana Ispat Pvt. Ltd.	5,625,000	5,358,000
Sterling Automobiles Pvt. Ltd.	130,000	-
Sterling Technologies Pvt. Ltd.	292,800	292,800
Purchase of Asset		
Sterling Automobile Pvt. Ltd.	1,439,078	1,600,527
Sale of Material		
Sterling Fabory India Private Limited	6,209	-
Reimbursement of Expenses		
Sterling Automobile Pvt. Ltd.	-	11,599
Purchase of Material		
Sterling Fabory India Private Limited.	482,105	-
Transaction with Joint Venture Company		
Share Application	-	650,439
Investment in Shares of JV company	17,500,000	-

Transaction with Key Management Personnel	(Amount in Rs.)	
	Current Year	Previous Year
Remuneration Paid		
Mr.Manohar Lal Aggarwal	7,812,328	6,839,675
Mr.Anil Aggarwal	7,266,950	5,931,684
Mr.Atul Aggarwal	7,073,608	5,724,875
	22,152,886	18,496,234
Rent paid		
Mr.Atul Aggarwal	-	69,000

OUTSTANDING BALANCES

Joint Venture Company- Receivables	(Amount in Rs.)	
	Current Year	Previous Year
Sterling Fabory India Private Limited	475,896	650,439
Total	475,896	650,439

Key Management Personnel - Remuneration payable	(Amount in Rs.)	
	Current Year	Previous Year
Mr. Manohar Lal Aggarwal	1,890,302	2,306,287
Mr. Anil Aggarwal	1,789,557	2,272,987
Mr. Atul Aggarwal	1,816,149	2,244,287
Total	5,496,008	6,823,561

i. Earning per Share

	(Amount in Rs.)	
	Current Year	Previous Year
Profit after Tax	157,299,072	115,888,008
Add/(Less) Taxes for earlier years	1,246,917	-
Adjusted Profit After Tax	158,345,988	115,888,008
Weighted average equity Shares outstanding (Nos)	6,844,600	6,844,600
Earning per Share - basic/diluted (Rs)	23.16	16.93

j. In view of Accounting Standard - 22, "Accounting for Taxes on Income" issued by the Company (Accounting Standard) Rules, 2006, computation of deferred tax liabilities (net) is provided hereunder:-

	(Amount in Rs.)		
	Upto 31.03.10	For the Year	Upto 31.03.11
Deferred Tax Asset/Liability			
Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax.	94,509,099	6,342,654	100,851,753
Deferred Tax Asset			
Tax impact of expenses charged in the financial statements but allowable as deductions in future years under income tax.	(4,908,843)	(2,017,420)	(6,926,263)
Net Deferred Tax (Asset) / Liability	89,600,256	4,325,234	93,925,490

Note: the tax impact of the above purpose has been arrived at by applying the prevailing tax rate as on balance sheet date under the Income Tax Act 1961.

k. Prior Period Expenditures and Income includes the following :

(Amount in Rs.)			
Prior Period Expenditures			
S.No.	Particulars	Current Year	Previous Year
1.	Sales Promotion	59,165	-
2.	Rent	10,000	-
3.	Repair & Maint.-Vehicle	-	31,357
4.	Legal & Professional	-	157,583
5.	Freight	151,771	18,767
	Total (A)	220,936	207,707

Prior Period Income

1	Depreciation	-	55,830
2	Cash Discount	151,401	-
3	Discount on purchase	263,426	-
	Total (B)	414,827	55,830
	Net (A) - (B)	(193,891)	151,877

I. Leases

The details of Leases in compliance of AS 19 are as under:

i) Assets taken on Operating leases:

- a) The Company has taken Factory Premises on non-cancellable operating lease. Lease Agreement is valid for the further period of 0.75 years. Lease rental amounting to Rs 5, 625,000. (Previous Year: Rs. 5,358,000) has been debited to Profit and Loss Account. Future minimum lease rentals as on 31 March 2011 are as under:

Particulars	(Amount in Rs.)	
	As at 31 st March, 2011	As at 31 st March, 2010
Not later than one Year	4,374,000	5,626,058
Later than one year and not later than five years	-	4,375,823
Total	4,374,000	10,001,881

Details of Leasing Agreement is enumerated below:

Property taken on lease	Date of termination of lease	Escalation Clause	Terms of Renewal	Purchase Option
Plot No. 81, Sector 25, Ballabhgarh, Faridabad. (Factory Premise)	31.12.2011	Yes	Yes	No

- b) The Company has taken Gas Bullets on non-cancelable operating lease. Lease Agreement is valid for the further period of 4.5 years. Lease rental amounting to Rs. 133,344/- (Previous Year: Rs. 133,344/-) has been debited to Profit and Loss Account. Future minimum lease rentals as on 31 March 2011 are as under:

Particulars	(Amount in Rs.)	
	As at 31 March 2011	As at 31 March 2010
Not later than one Year	133,344	133,344
Later than one year and not later than five years	466,704	533,376
Later than Five Years	-	66,672
Total	600,048	733,392

Details of Leasing Agreement is enumerated below:

Property taken on lease	Date of termination of lease	Escalation Clause	Terms of Renewal	Purchase Option
2 Bullets of 5 MT (10,000 Lts water capacity)	27.09.2015	No	Yes	No

- c) The Company has taken a godown on cancelable operating lease. Lease Agreement is valid up to 31.03.2011. Lease rental amounting to Rs.292,800/- (Previous Year Rs. 292,800/-) has been debited to Profit and Loss Account.
- d) The Company has taken furnished office space on operating cancelable lease. Lease Agreement is valid for the further period of 2 years. Lease rental amounting to Rs.192,000 (Previous Year 16,000/-) has been debited to Profit and Loss Account.
- e) The Company has taken office space on operating cancelable lease. Lease Agreement is valid for the further period of 1.9 years as on 31.03.2011. Lease rental amounting to Rs.130,000 (Previous Year NIL) has been debited to Profit and Loss Account.

m. Employee Benefits

(i) Defined Contribution Plan

The Company makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company recognized Rs 9,260,602 (Previous Year: Rs. 8,484,144) for provident fund contributions and Rs 3,281,809/- (Previous year 1,829,433/-) for ESI contribution in the profit and loss account. The contribution payable to these plans by the Company is at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determine based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The obligation for leave encashment is recognized in the same manner as gratuity.

(a) Reconciliation of opening and closing balances of Defined Benefit Obligations

	(Amount in Rs.)			
	Gratuity (Funded)		Earned leave (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Defined benefit obligations at beginning of the year	13,974,785	10,538,128	33,57,427	3,509,671
Current Service Cost	2,770,576	2,094,327	18,07,593	1,369,703
Interest Cost	1,117,983	843,050	2,68,594	280,774
Actuarial (gain)/loss	(824,138)	767,371	10,459	(1,029,819)
Benefits paid	687,135	(268,091)	11,61,575	(772,902)
Defined Benefit Obligations at year end	16,352,071	13,974,785	42,82,498	3,357,427

(b) Reconciliation of opening and closing balances of fair value of plan assets

	(Amount in Rs.)			
	Gratuity (Funded)		Earned leave (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Fair value of plan assets at beginning of the year	12,283,341	8,942,266	N.A	N.A
Expected Return on plan assets	1,112,173	817,480	—	—
Contribution	2,243,548	2,791,686	—	—
Actuarial (gain)/loss	—	—	—	—
Benefits paid	687,135	(268,091)	—	—
Fair value of plan assets at the year end.	14,951,927	12,283,341	N.A	N.A

(c) Reconciliation of fair value of assets and obligations

	(Amount in Rs.)			
	Gratuity (Funded)		Earned leave (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Fair value of plan assets at 31 March	14,951,927	12,283,341	N.A	N.A
Present value of obligation as at 31 March	16,352,071	13,974,785	4,282,498	3,357,427
Amount recognized in balance sheet	1,400,144	1,691,444	4,282,498	3,357,427

(d) Expenses recognized during the year

	(Amount in Rs.)			
	Gratuity (Funded)		Earned leave (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Current Service Cost	2,770,576	2,094,327	1,807,593	1,369,703
Interest Cost	1,117,983	843,050	268,594	280,774
Expected return on plan assets	1,112,173	(817,480)	Nil	Nil
Actuarial (gain)/loss	(824,138)	767,371	10,459	(1,029,819)
Net Cost	1,952,248	2,887,268	2,086,646	620,658

(e) Actuarial Assumptions

(Amount in Rs.)

	Gratuity (Funded)		Earned leave (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Discount Rate (per annum)	8%	8%	8%	8%
Future increase in compensation	7%	7%	7%	7%
Expected rate of return on plan assets	9.05%	8%	N.A	N.A
In Service Mortality	L.I.C 1994-96 Ultimate	L.I.C 1994-96 Ultimate	L.I.C 1994-96 Ultimate	L.I.C 1994-96 Ultimate
Retirement age	58 Years	58 Years	58 Years	58 Years
Withdrawal rates	1.00 % p.a	1.00 % p.a	1.00 % p.a	1.00 % p.a

- n. As the Accounting Standard 30, 31 & 32 (i) 'Financial Instruments: Recognitions & Measurement' (ii) 'Financial Instruments: Presentation' and (iii) 'Financial Instrument: Disclosures' are recommendatory in nature, the details of required disclosures are as under:

Derivative instruments outstanding.

Category of Derivative Instruments	Number of Contracts	Purpose of Derivative Instruments	Amount of Hedged Foreign Currency
------------------------------------	---------------------	-----------------------------------	-----------------------------------

Forward Contracts (Buy)

As at 31.03.2010	Seven	Hedging	US\$ 378,295.60
As at 31.03.2011	Two	Hedging	US\$ 6,44,845.04

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

	As at 31.03.2011		As at 31.03.2010	
	Foreign Currency	INR	Foreign Currency	INR
Foreign currency exposure not hedged (Sell)	506,013 EURO	2,62,84,451	266,720 EURO	16,152,543
	151,301 USD	67,55,581	198,993 USD	8,982,546
	- GBP	-	18,052 GBP	1,228,050
Foreign currency exposure not hedged (Buy)	31,160 USD	13,91,280	12,756 USD	575,825

o. Provision for Contingencies & Expenses

The movement in provision for contingencies towards taxation matters is given below:

	As at 31 March 2011	(Amount in Rs.) As at 31 March 2010
Balance at the beginning of the year	-	5,300,969
Additional Provision	-	-
Provision Reversed	-	5,300,969
Balance at the end of the year	-	-

The movement in provision made for rate reduction is given below:

	As at 31 March 2011	(Amount in Rs.) As at 31 March 2010
Balance at the beginning of the year	4,223,254	6,078,000
Additional Provision	-	-
Provision Reversed	4,223,254	1,854,746
Balance at the end of the year	-	4,223,254

- p.** In view of the management, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet as at 31.03.2011.
- q.** The closing balances of debtors, creditors and loans and advances are subject to confirmation.
- r.** Previous year figures have been rearranged, regrouped and recast wherever considered necessary.
- s.** All financial figures have been rounded off to the nearest rupee.

Signatures to Schedule 1 to 16

As per our report of even date attached
For S. R. DINODIA & CO.
CHARTERED ACCOUNTANTS
Reg. No. 001478N

(SANDEEP DINODIA)
Partner
M.No. 083689

(M. L. Aggarwal)
Chairman
DIN No.00027380

(Sanjeev Bharadwaj)
Vice President (Finance)

For & on behalf of the Board

(Anil Aggarwal)
Managing Director
DIN No.00027214

(Vaishali Singh)
Company Secretary

PLACE: NEW DELHI
DATED: 17th May, 2011

Information pursuant to part IV of schedule VI of the Companies Act, 1956

Balance Sheet Abstract and Company's general business profile

I. Registration details

Registration No. State Code
 Balance Sheet Date
 Day Month Year

II. Capital raised during the year (amount in Rs. thousands)

Public Issue Right Issue
 Bonus issue Private Placement

III. Position of mobilisation and deployment of funds (amount in Rs. thousands)

Total Liabilities Total Assets

Sources of Funds

Paid-up Capital Reserves and Surplus
 Secured Loans Unsecured Loans
 Deferred Tax Liability

Application of Funds

Net Fixed Assets Investments
 Net Current Assets Miscellaneous Expenditure
 Accumulated Losses

IV. Performance of Company (amount in thousands)

Turnover Total Expenditure
 Profit/Loss Before Tax Profit/Loss After Tax
 Please tick Appropriate box (+) for Profit (-) for loss
 Earning per Share (Rs.) Dividend Rate%

V. Generic names of three principal products/services of Company (as per monetary terms)

Item Code No.
 (ITC Code)
 Product Description

STERLING TOOLS LIMITED

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.

Regd. Office:

A-40, Mohan Co-operative
Industrial Estate, Mathura Road
New Delhi - 110044 (India)
Tel: +91-11-26990093

Corporate Office:

Plot No. 4, DLF Industrial Estate
Faridabad - 121 003 (Haryana)
Tel: +91-129-227 0621
Fax: +91-129-227 7359

Website: www.stlfasteners.com

Pune Office:

SC-1-22 & 23, 3rd Floor
Kohinoor Estate Wakdevadi
Bombay - Poona Road
Pune - 411 003
Telefax: +91-20-2581 1566
E-mail: santoshp@stlfasteners.com

Chennai Office:

606, 6th Floor, Challa Mall
11 & 11A Sir Thiagaraya Road
T.Nagar Chennai - 600 017
Telefax: +91-44-4212 9372
E-mail: pushpanathan@stlfasteners.com

Works

5-A DLF Industrial Estate
Faridabad - 121 003, Haryana (India)
Tel: +91-129-227 0621 to 24, 225 5551 to 53
Fax: +91-129-227 7359
E-mail: sterling@stlfasteners.com

49 K.M. Stone Delhi Mathura Road
Village - Prithla, Tehsil - Palwal
Distt. - Palwal, Haryana (India)
Tel: +91-1275-270 134 to 136

81, Sector - 25, Ballabgarh
Faridabad, Haryana (India)
Telefax: +91-129-406 3462 3463