
Walker Chandiook & Co LLP

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

To the Board of Directors of Sterling Tools Limited

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of Sterling Tools Limited ('the Company') for the year ended 31 March 2022, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2022.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

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

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Walker Chandiook & Co LLP

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

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

11. The Statement includes the financial results for the quarter ended 31 March 2022, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

RAJNI
MUNDRA
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by RAJNI
MUNDRA
Date: 2022.05.18
13:38:11 +05'30'

Rajni Mundra
Partner
Membership No.: 058644
UDIN: 22058644AJEAVB2436

Place: Mumbai
Date: 18 May 2022



STERLING TOOLS LIMITED

Regd. Office: Office No 515, DLF Tower A, Jasola, NEW DELHI-110025
Website: stfasteners.com, E-mail: sterling@stfasteners.com, CIN: L29222DL1979PLC009668

Statement of standalone financial results for the quarter and financial year ended 31 March 2022

Part I

(₹ in lakhs, except per share data)

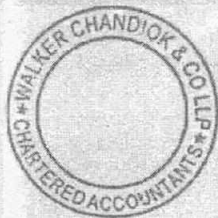
S. No.	Particulars	Three months ended 31 March 2022	Preceding three months ended 31 December 2021	Corresponding three months ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
		(Refer note 3)	(Unaudited)	(Refer note 3)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	13,848.25	11,546.76	12,726.75	47,124.25	35,528.99
	(b) Other income	96.90	64.00	43.50	338.30	284.43
	Total Income	13,945.15	11,610.76	12,770.25	47,462.55	35,813.42
2	Expenses					
	(a) Cost of materials consumed	5,205.81	5,485.42	5,308.99	19,316.71	13,653.62
	(b) Changes in inventories of finished goods and work-in-progress	944.42	(1,001.48)	(934.66)	(329.84)	(1,525.82)
	(c) Employee benefits expense	955.12	1,054.33	982.02	4,160.11	3,607.90
	(d) Finance costs	160.39	160.92	194.59	662.65	760.25
	(e) Depreciation and amortisation expenses	695.65	669.00	710.88	2,700.77	2,631.61
	(f) Consumption of stores and spares	1,061.75	1,039.87	1,078.88	3,961.47	2,932.15
	(g) Power and fuel	1,138.52	1,023.37	1,066.50	3,866.64	3,072.80
	(h) Other expenses	2,784.96	2,250.60	3,003.37	9,157.46	7,321.74
	Total expenses	12,946.62	10,682.03	11,410.57	43,495.97	32,454.25
3	Profit before exceptional items and tax (1-2)	998.53	928.73	1,359.68	3,966.58	3,359.17
4	Exceptional items (refer note 7)	-	-	242.18	-	242.18
5	Profit before tax (3-4)	998.53	928.73	1,117.50	3,966.58	3,116.99
6	Tax expense					
	(a) Current tax	232.93	265.79	273.91	1,040.71	770.66
	(b) Deferred tax	4.90	3.02	(106.98)	(46.94)	(95.48)
	Total tax expenses	237.83	268.81	166.93	993.77	675.18
7	Profit for the period (5-6)	760.70	659.92	950.57	2,972.81	2,441.81
8	Other comprehensive income					
	(A) (i) Items that will not be reclassified to the statement of profit and loss	275.11	13.53	191.42	315.69	201.67
	(ii) Income-tax relating to items that will not be reclassified to the statement of profit and loss	(69.24)	(3.40)	(48.18)	(79.45)	(50.76)
	(B) (i) Items that will be reclassified to the statement of profit and loss	-	-	-	-	-
	(ii) Income-tax relating to items that will be reclassified to the statement of profit and loss	-	-	-	-	-
	Total other comprehensive income	205.87	10.13	143.24	236.24	150.91
9	Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (7+8)	966.57	670.05	1,093.81	3,209.05	2,592.72
10	Paid-up equity share capital (face value of ₹ 2 each)	720.48	720.48	720.48	720.48	720.48
11	Other equity				35,591.47	32,742.67
12	Earnings per share*					
	(a) Basic	2.11	1.83	2.64	8.25	6.78
	(b) Diluted	2.11	1.83	2.64	8.25	6.78

* not annualised except for the year ended 31 March 2022 and 31 March 2021

See accompanying notes to the financial results.



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STERLING TOOLS LIMITED

Regd. Office: Office No. 515, DLF Tower-A, Jasola, New Delhi-110025
Website: stlfasteners.com, E-mail: csec@stlfasteners.com, CIN: L29222DL1979PLC009668

Part II

Statement of standalone assets and liabilities

(₹ in lakhs)

Particulars	As at	As at
	31 March 2022	31 March 2021
	(Audited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	26,524.53	24,400.72
(b) Capital work-in-progress	104.04	-
(c) Right-of-use assets	56.87	77.09
(d) Other intangible assets	39.02	55.40
(e) Financial assets		
(i) Investments	3,625.51	3,301.06
(ii) Other financial assets	411.24	424.40
(f) Income-tax assets (net)	8.63	80.13
(g) Other non-current assets	808.89	748.18
Total non current assets	31,578.73	29,086.98
Current assets		
(a) Inventories	10,236.60	10,940.51
(b) Financial assets		
(i) Investments	769.72	1,275.48
(ii) Trade receivables	4,154.87	4,155.80
(iii) Cash and cash equivalents	76.31	195.98
(iv) Bank balances other than (iii) above	1,769.34	2,471.21
(v) Loans	2,024.37	35.94
(vi) Other financial assets	386.76	296.06
(c) Other current assets	3,723.55	3,242.96
Total current assets	23,141.52	22,613.94
TOTAL ASSETS	54,720.25	51,700.92
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	720.48	720.48
(b) Other equity	35,591.47	32,742.67
Total equity	36,311.95	33,463.15
Liabilities		
Non current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,261.29	3,774.83
(ia) Lease liabilities	15.54	32.58
(ii) Other financial liabilities [other than those specified in item (b)]	33.26	28.05
(b) Provisions	125.13	144.39
(c) Deferred tax liabilities (net)	1,636.78	1,604.28
(d) Other non-current liabilities	1,586.63	1,614.27
Total non current liabilities	7,658.63	7,198.40
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	6,491.39	6,687.58
(ia) Lease liabilities	45.35	49.29
(ii) Trade payables		
A) Total outstanding dues of micro enterprises and small enterprises; and	800.81	809.31
B) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,795.63	2,181.47
(iii) Other financial liabilities [other than those specified in item (c)]	596.43	426.04
(b) Other current liabilities	965.60	746.73
(c) Provisions	54.46	40.30
(d) Current tax liabilities (net)	-	98.65
Total current liabilities	10,749.67	11,039.37
Total liabilities	18,408.30	18,237.77
TOTAL EQUITY AND LIABILITIES	54,720.25	51,700.92

See accompanying notes to the financial results



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STERLING TOOLS LIMITED

Regd. Office: Office No. 515, DLF Tower-A, Jasola, New Delhi-110025
Website: stfasteners.com, E-mail: csec@stfasteners.com, CIN: L29222DL1979PLC009658

Part III

Standalone cash flow statement

(₹ in lakhs)

Particulars	Year ended	Year ended
	31 March 2022	31 March 2021
	(Audited)	(Audited)
A Cash flow from operating activities		
Net profit before tax	3,966.58	3,116.99
Adjustments for:		
Depreciation and amortisation expenses	2,700.77	2,631.61
Unrealised foreign exchange loss	2.71	7.65
Interest on delayed payment of advance tax	-	20.35
Loss on disposal of property, plant and equipment (net)	1.80	89.91
Finance costs	632.06	713.37
Interest on lease liabilities	6.78	10.29
Interest income	(173.06)	(223.70)
Amortisation of grant income	(219.20)	(233.95)
Gain on sale of mutual fund	(7.73)	(6.91)
Gain on fair value of mutual fund	(20.19)	(11.89)
Income from investment in equity instruments	(64.90)	-
Liabilities no longer required written back	(7.91)	(15.84)
Gain on fair value of forward contracts	(15.27)	(5.84)
Bad debts written off	1.08	12.79
Provision for expected credit loss	102.66	-
Provision for loss allowance	-	32.05
Provision for impairment in the value of investments	-	242.18
Operating profit before working capital changes	6,906.18	6,379.06
(Increase)/decrease in financial assets	(155.20)	882.80
(Increase) in other assets	(457.91)	(1,499.95)
(Decrease)/increase in financial liabilities	(376.31)	1,189.29
Decrease/(increase) in inventories	703.91	(4,996.61)
Increase in other liabilities	410.42	792.83
(Decrease) in provisions	(12.85)	14.41
Net cash generated from operations	7,018.24	2,761.83
Income-tax paid (net)	(1,067.84)	(828.27)
Net cash from operating activities (A)	5,950.40	1,933.56
B Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work- in progress and capital advances)	(4,827.18)	(1,587.79)
Proceeds from disposal of property, plant and equipment	47.55	19.95
Proceeds from maturity of/(investment in) fixed deposit	700.56	(2,448.91)
Redemption of/(investment in) mutual fund	577.42	(692.61)
Loan given to subsidiary	(2,000.00)	-
Interest received	174.36	225.25
Dividend on investment in equity instruments	0.71	-
Gain on sale of equity instruments	61.78	-
Investment in equity instruments	(42.35)	(596.80)
Net cash used in investing activities (B)	(5,307.15)	(5,080.91)
C Cash flows from financing activities		
Proceeds from non-current borrowings	2,589.50	625.00
Repayment of non-current borrowings	(1,726.80)	(2,058.08)
Final dividend paid	(360.24)	-
(Repayment of)/proceeds from current borrowings (net)	(572.43)	4,529.80
Repayment of lease liabilities	(69.75)	(77.04)
Interest paid	(623.20)	(725.62)
Net cash (used in)/from financing activities (C)	(762.92)	2,294.06
Net decrease in cash and cash equivalents (A+B+C)	(119.67)	(853.29)
Cash and cash equivalents at the beginning of the year	195.98	1,049.27
Cash and cash equivalents at the end of the year	76.31	195.98

Components of cash and cash equivalents:

Balances with scheduled banks in current accounts

73.43

192.39

Cash on hand

2.88

3.59

76.31

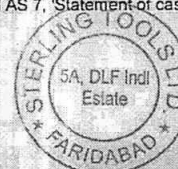
195.98

Note:

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

See accompanying notes to the financial results

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STERLING TOOLS LIMITED

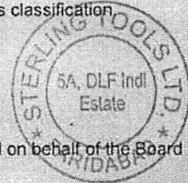
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Website: stlfasteners.com, E-mail: csec@stlfasteners.com, CIN: L29222DL1979PLC009668

Notes:

1. The standalone financial results of Sterling Tools Limited (the 'Company') for the year ended 31 March 2022 have been extracted from the audited standalone financial statements and have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18 May 2022. The statutory auditors of the Company have expressed an unmodified audit opinion on these standalone financial results.
2. The above results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) specified under section 133 of the Companies Act, 2013, other accounting principles generally accepted in India and in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended).
3. Figures for the quarters ended 31 March 2022 and 31 March 2021 represents the balancing figures between the audited figures in respect of the full financial year and published year to date reviewed figures upto the third quarter of the years ended 31 March 2022 and 31 March 2021 respectively.
4. The Company's business falls within a single business segment in terms of the Indian Accounting Standard 108 - Operating Segments and hence no additional disclosures have been furnished.
5. The Board of Directors have recommended a final dividend of Re. 1 per share (face value of Rs. 2 per share) for the financial year 2021-22.
6. The Company continues to closely monitor the impact of COVID - 19 pandemic and believes that there is no material impact on its operations and financial performance including recoverability of its assets.
7. Exceptional items for the year ended 31 March 2021 pertains to provision for diminution in the value of investment in the joint venture company, Sterling Fabory India Private Limited.
8. Previous period/year figures have been regrouped/reclassified, where necessary, to conform to the current period's classification.

Place: Faridabad
Date: 18 May 2022

For and on behalf of the Board of Directors



Anil Aggarwal
Managing Director
DIN: 00027214



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

To the Board of Directors of Sterling Tools Limited

Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of Sterling Tools Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint venture for the year ended 31 March 2022, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries and joint venture, as referred to in paragraph 12 below, the Statement:
 - (i) includes the annual financial results of the following entities:
 - a. Haryana Ispat Private Limited, subsidiary;
 - b. Sterling Gtate E-mobility Limited, subsidiary; and
 - c. Sterling Fabory India Private Limited, joint venture.
 - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group and its joint venture, for the year ended 31 March 2022.

Walker Chandniok & Co LLP

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

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group and its joint venture, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Statement

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

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

Walker Chandniok & Co LLP

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

8. As part of an audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group and its joint venture, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
11. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Walker Chandiook & Co LLP

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

Other Matters

12. We did not audit the annual financial statements of two subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 3,461.45 lakh as at 31 March 2022, total revenues of ₹ 3,854.03 lakh, total net (loss) after tax of ₹ 357.60 lakh, total comprehensive (loss) of ₹ 355.75 lakh, and cash flows (net) of ₹ (310.56) lakh for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net (loss) after tax of ₹ 61.66 lakh and total comprehensive (loss) of ₹ 61.66 lakh for the year ended 31 March 2022, in respect of the joint venture, whose annual financial statements have not been audited by us. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph 11 above.

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

13. The Statement includes the consolidated financial results for the quarter ended 31 March 2022, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

RAJNI
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by RAJNI
MUNDRA
Date: 2022.05.18
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Rajni Mundra
Partner
Membership No.: 058644
UDIN: 22058644AJDZXN2339

Place: Mumbai
Date: 18 May 2022



STERLING TOOLS LIMITED

Regd. Office: Office No. 515, DLF Tower-A, Jasola, New Delhi-110025
Website: stlfasteners.com, E-mail: csec@stlfasteners.com, CIN: L29222DL1979PLC009668

Statement of consolidated financial results for the quarter and financial year ended 31 March 2022

Part I

S. No.	Particulars	(₹ in lakhs, except per share data)				
		Three months ended 31 March 2022	Preceding three months ended 31 December 2021	Corresponding three months ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
		(Refer note 3)	(Unaudited)	(Refer note 3)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	16,942.79	12,195.10	12,733.88	50,958.32	35,548.05
	(b) Other income	66.49	52.16	47.36	302.65	303.06
	Total income	17,009.28	12,247.26	12,781.24	51,260.97	35,851.11
2	Expenses					
	(a) Cost of materials consumed	8,603.65	6,083.16	5,332.81	23,432.91	13,694.87
	(b) Changes in inventories of finished goods and work-in-progress	275.01	(996.46)	(948.44)	(1,029.22)	(1,549.20)
	(c) Employee benefits expense	1,041.26	1,126.56	1,047.65	4,455.96	3,790.72
	(d) Finance costs	174.81	167.99	194.59	686.74	760.25
	(e) Depreciation and amortisation expenses	708.59	677.12	715.34	2,733.55	2,637.65
	(f) Consumption of stores and spares	1,072.40	1,039.87	1,078.88	3,972.12	2,932.15
	(g) Power and fuel	1,142.26	1,025.95	1,067.68	3,877.45	3,076.57
	(h) Other expenses	3,080.22	2,290.15	3,041.14	9,593.12	7,423.54
	Total expenses	16,098.20	11,414.34	11,529.65	47,722.63	32,766.55
3	Profit before share of profit/(loss) of investment accounted for using equity method and tax (1-2)	911.08	832.92	1,251.59	3,538.34	3,084.56
4	Share of profit/(loss) of investment accounted for using equity method	0.57	(33.45)	(29.81)	(61.66)	(50.80)
5	Profit before tax (3+4)	911.65	799.47	1,221.78	3,476.68	3,033.76
6	Tax expense					
	(a) Current tax	233.73	266.60	275.07	1,043.94	774.33
	(b) Deferred tax	(10.47)	(13.13)	(103.87)	(120.82)	(91.48)
	Total tax expenses	223.26	253.47	171.20	923.12	682.85
7	Profit for the period (5-6)	688.39	546.00	1,050.58	2,553.56	2,350.91
8	Other comprehensive income					
	(A) (i) Items that will not be reclassified to the statement of profit and loss	277.34	13.53	191.42	317.92	201.67
	(ii) Income-tax relating to items that will not be reclassified to the statement of profit and loss	(69.62)	(3.40)	(48.18)	(79.83)	(50.76)
	(B) (i) Items that will be reclassified to the statement of profit and loss	-	-	-	-	-
	(ii) Income-tax relating to items that will be reclassified to the statement of profit and loss	-	-	-	-	-
	Total other comprehensive income	207.72	10.13	143.24	238.09	150.91
9	Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (7+8)	896.11	556.13	1,193.82	2,791.65	2,501.82
10	Profit/(loss) for the period attributable to					
	(a) Owners of the Company	688.39	546.00	1,050.50	2,553.70	2,351.18
	(b) Non controlling interests	-	-	0.08	(0.14)	(0.27)
11	Other comprehensive income attributable to					
	(a) Owners of the Company	207.72	10.13	143.24	238.09	150.91
	(b) Non controlling interests	-	-	-	-	-
12	Total comprehensive income/(loss) attributable to					
	(a) Owners of the Company	896.11	556.13	1,193.74	2,791.79	2,502.09
	(b) Non controlling interests	-	-	0.08	(0.14)	(0.27)
13	Paid-up equity share capital (face value of ₹ 2 each)	720.48	720.48	720.48	720.48	720.48
14	Other equity				34,857.86	32,426.79
15	Earnings per share*					
	(a) Basic	1.91	1.52	2.92	7.09	6.53
	(b) Diluted	1.91	1.52	2.92	7.09	6.53

* not annualised except for the year ended 31 March 2022 and 31 March 2021

See accompanying notes to the financial results.



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STERLING TOOLS LIMITED

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Part II

Statement of consolidated assets and liabilities

Particulars	As at	As at
	31 March 2022	31 March 2021
	(Audited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	27,946.91	25,584.70
(b) Capital work-in-progress	104.04	34.67
(c) Right-of-use assets	56.87	77.09
(d) Other intangible assets	43.87	60.82
(e) Investments accounted for using the equity method	115.18	176.84
(f) Financial assets		
(i) Investments	1,463.60	1,140.14
(ii) Other financial assets	413.78	426.94
(g) Income-tax assets (net)	13.98	80.56
(h) Other non-current assets	844.53	755.58
Total non current assets	31,002.76	28,337.34
Current assets		
(a) Inventories	11,611.55	10,968.68
(b) Financial assets		
(i) Investments	769.72	1,275.48
(ii) Trade receivables	4,732.99	4,163.29
(iii) Cash and cash equivalents	82.40	512.63
(iv) Bank balances other than (iii) above	2,219.34	2,720.11
(v) Loans	24.74	35.94
(vi) Other financial assets	400.46	305.65
(c) Other current assets	4,147.95	3,310.95
Total current assets	23,989.15	23,292.73
TOTAL ASSETS	54,991.91	51,630.07
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	720.48	720.48
(b) Other equity	34,857.86	32,426.79
Total equity attributable to owners of the Holding Company	35,578.34	33,147.27
Non controlling interest	-	0.67
Total equity	35,578.34	33,147.94
Liabilities		
Non current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,261.29	3,774.83
(ia) Lease liabilities	15.54	32.58
(ii) Other financial liabilities [other than those specified in item (b)]	33.26	28.05
(b) Provisions	204.53	148.98
(c) Deferred tax liabilities (net)	1,648.54	1,689.54
(d) Other non-current liabilities	1,586.63	1,614.27
Total non current liabilities	7,749.79	7,288.25
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	6,680.99	6,687.58
(ia) Lease liabilities	45.35	49.29
(ii) Trade payables		
A) Total outstanding dues of micro enterprises and small enterprises; and	801.77	809.32
B) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,383.10	2,243.73
(iii) Other financial liabilities [other than those specified in item (c)]	648.46	507.39
(b) Other current liabilities	1,012.02	755.14
(c) Provisions	92.09	40.36
(d) Current tax liabilities (net)	-	101.07
Total current liabilities	11,663.78	11,193.88
Total liabilities	19,413.57	18,482.13
TOTAL EQUITY AND LIABILITIES	54,991.91	51,630.07

See accompanying notes to the financial results



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Part III

Consolidated cash flow statement

(₹ in lakhs)

Particulars	Year ended	Year ended
	31 March 2022	31 March 2021
	(Audited)	(Audited)
A Cash flow from operating activities		
Net profit before tax	3,476.68	3,033.76
Adjustments for:		
Share of loss for investment in joint venture	61.66	50.80
Depreciation and amortisation expenses	2,733.55	2,637.65
Unrealised foreign exchange loss	1.51	7.65
Interest on delayed payment of advance taxes	0.50	20.35
Loss on disposal of property, plant and equipment (net)	3.72	89.91
Finance costs	640.60	713.37
Interest on lease liabilities	6.78	10.29
Interest income	(136.68)	(242.32)
Amortisation of grant income	(219.20)	(233.95)
Gain on sale of mutual fund	(7.73)	(6.91)
Gain on fair value of mutual fund	(20.19)	(11.89)
Income from investment in equity instruments	(64.90)	-
Liabilities no longer required written back	(7.91)	(15.84)
Gain on fair value of forward contracts	(15.27)	(5.84)
Provision for loss allowance	-	32.05
Bad debts written off	1.08	12.79
Provision for warranty	112.68	-
Provision for expected credit loss	102.66	-
Operating profit before working capital changes	6,669.54	6,091.87
(Increase)/decrease in financial assets	(699.43)	864.64
(Increase) in other assets	(814.03)	(1,564.09)
Increase in financial liabilities	151.06	1,228.08
(Increase) in inventories	(642.87)	(5,024.78)
Increase in other liabilities	448.43	799.14
(Decrease) in provisions	(10.93)	19.08
Net cash generated from operations	5,101.77	2,413.94
Income-tax paid (net)	(1,078.93)	(831.76)
Net cash from operating activities (A)	4,022.84	1,582.18
B Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work- in progress and capital advances)	(5,179.21)	(1,749.26)
Proceeds from disposal of property, plant and equipment	53.82	19.95
Proceeds from maturity of/(investment in) fixed deposit	499.46	(2,697.81)
Redemption of/(investment in) mutual fund	577.42	(692.61)
Gain on sale of equity instruments	61.78	-
Dividend on investment in equity instruments	0.71	-
Interest received	107.11	244.25
Investment in equity instruments	(42.35)	(56.47)
Net cash used in investing activities (B)	(3,921.26)	(4,931.95)
C Cash flows from financing activities		
Proceeds from non-current borrowings	2,589.50	625.00
Repayment of non-current borrowings	(1,726.80)	(2,058.08)
Final dividend paid	(360.24)	-
(Repayment of)/proceeds from current borrowings (net)	(382.83)	4,529.80
Repayment of lease liabilities	(69.75)	(77.04)
Interest paid	(581.69)	(725.62)
Net cash (used in)/from financing activities (C)	(531.81)	2,294.06
Net decrease in cash and cash equivalents (A+B+C)	(430.23)	(1,055.71)
Cash and cash equivalents at the beginning of the year	512.63	1,568.34
Cash and cash equivalents at the end of the year	82.40	512.63

Components of cash and cash equivalents:

Balances with scheduled banks in current accounts	77.44	231.92
Cash on hand	4.96	5.71
Balances with banks in deposit accounts with original maturity upto three months	-	275.00
	82.40	512.63

Note:

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

See accompanying notes to the financial results



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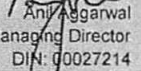
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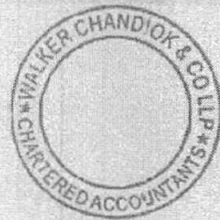
1. The consolidated financial results of Sterling Tools Limited (the 'Holding Company') for the year ended 31 March 2022 have been extracted from the audited consolidated financial statements and have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18 May 2022. The statutory auditors of the Holding Company have expressed an unmodified audit opinion on these consolidated financial results.
2. The above results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) specified under section 133 of the Companies Act, 2013, other accounting principles generally accepted in India and in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended).
3. Figures for the quarters ended 31 March 2022 and 31 March 2021 represents the balancing figures between the audited figures in respect of the full financial year and published year to date reviewed figures upto the third quarter of the years ended 31 March 2022 and 31 March 2021 respectively.
4. The Group's business falls within a single business segment in terms of the Indian Accounting Standard 108 - Operating Segments and hence no additional disclosures have been furnished.
5. The Board of Directors of the Holding Company have recommended final dividend of Re. 1 per share (face value of Rs. 2 per share) for the financial year 2021-22.
6. The Group continues to closely monitor the impact of COVID - 19 pandemic and believes that there is no material impact on its operations and financial performance including recoverability of its assets.
7. Previous period/year figures have been regrouped/reclassified, where necessary, to conform to the current period's classification.



For and on behalf of the Board of Directors

Place: Faridabad
Date: 18 May 2022


Anil Aggarwal
Managing Director
DIN: 00027214



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