

**STERLING TOOLS LIMITED**

CIN : L29222DL1979PLC009668

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

**By Listing Centre**

General Manager  
**Department of Corporate Services**  
**Bombay Stock Exchange Limited**  
1<sup>st</sup> Floor, P. J. Towers  
Dalal Street, Fort  
Mumbai – 400001

**Date: 10<sup>th</sup> August, 2020**  
**Ref.: STL/SD/01/2020-2021**

**Ref.: Security Code No.: 530759**

**Sub: Outcome of Meeting of the Board of Directors under Regulation 30 and Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

Dear Sir,

Pursuant to the provisions of Regulation 30 and Regulation 33 and other applicable regulations of the Listing Regulations, this is to inform you that Board of Directors in its meeting held on Monday, 10<sup>th</sup> August, 2020 concluded at 1:30 P. M. has taken the following decisions:

- i) Based on the recommendations of Audit Committee, approved the Standalone & Consolidated Quarterly Unaudited Financial Results of the Company for the Quarter ended 30<sup>th</sup> June, 2020. The unaudited financial statements of Haryana Ispat Pvt. Ltd., the wholly owned subsidiary Company, Sterling Gtack E-Mobility Limited, the Subsidiary Company and Sterling Fabory India Pvt. Ltd., the Joint Venture Company have been reviewed and then consolidated with the financial statements of Sterling Tools Limited which, then subjected to limited review by the Statutory Auditors of the Company. The duly approved consolidated financial statements of the Company for the Quarter ended 30<sup>th</sup> June, 2020 along with Limited Review Report is enclosed.

Sincerely  
For **Sterling Tools Limited**

  
**Vaishali Singh**  
Company Secretary

Encl.: As above.



# STERLING TOOLS LIMITED

Regd. Office: Office No 515, DLF Toiwer A, Jasola, NEW DELHI-110025

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

Part I

## Statement of standalone unaudited financial results for the quarter ended 30 June 2020

(₹ in lakhs, except per share data)

| S. No. | Particulars  | Three months ended<br>30 June 2020 | Preceding three<br>months ended<br>31 March 2020 | Corresponding three<br>months ended<br>30 June 2019 | Year ended<br>31 March 2020 |
|--------|--|------------------------------------|--|---|-----------------------------|
|        |  | (Unaudited)                        | (Audited)<br>(Refer note 3)                      | (Unaudited)   | (Audited)                   |
| 1      | <b>Income</b>  |                                    |  |   |                             |
|        | (a) Revenue from operations  | 2,026.95                           | 8,582.87   | 10,430.88   | 36,424.15                   |
|        | (b) Other income   | 114.37                             | 126.57   | 138.35  | 609.13                      |
|        | <b>Total income</b>  | <b>2,141.32</b>                    | <b>8,709.44</b>                                  | <b>10,569.23</b>                                    | <b>37,033.28</b>            |
| 2      | <b>Expenses</b>  |                                    |  |   |                             |
|        | (a) Cost of materials consumed   | 522.01                             | 2,853.76   | 4,008.01  | 12,334.97                   |
|        | (b) Changes in inventories of finished goods and work-in-progress  | 326.06                             | 381.04   | 66.87   | 1,403.40                    |
|        | (c) Employee benefits expense  | 791.08                             | 800.25   | 954.80  | 3,627.54                    |
|        | (d) Finance costs  | 180.28                             | 179.13   | 139.48  | 626.34                      |
|        | (e) Depreciation and amortisation expenses   | 594.15                             | 655.56   | 545.58  | 2,421.84                    |
|        | (f) Consumption of stores and spares   | 151.32                             | 777.87   | 727.81  | 2,823.92                    |
|        | (g) Power and fuel   | 181.53                             | 693.84   | 790.22  | 2,818.81                    |
|        | (h) Other expenses   | 540.28                             | 1,646.95   | 2,031.52  | 7,277.95                    |
|        | <b>Total expenses</b>  | <b>3,286.71</b>                    | <b>7,988.40</b>                                  | <b>9,264.29</b>                                     | <b>33,334.77</b>            |
| 3      | <b>Profit before exceptional items and tax (1-2)</b>   | <b>(1,145.39)</b>                  | <b>721.04</b>                                    | <b>1,304.94</b>                                     | <b>3,698.51</b>             |
| 4      | Exceptional items  | -                                  | 328.25   | -   | 328.25                      |
| 5      | <b>Profit before tax (3-4)</b>   | <b>(1,145.39)</b>                  | <b>392.79</b>                                    | <b>1,304.94</b>                                     | <b>3,370.26</b>             |
| 6      | Tax expense  |                                    |  |   |                             |
|        | (a) Current tax  | -                                  | 106.90   | 499.92  | 593.95                      |
|        | (b) Deferred tax   | (268.05)                           | (531.77)   | (70.19)   | (128.60)                    |
|        | <b>Total tax expenses</b>  | <b>(268.05)</b>                    | <b>(424.87)</b>                                  | <b>429.73</b>                                       | <b>465.35</b>               |
| 7      | <b>Profit for the period (5-6)</b>   | <b>(877.34)</b>                    | <b>817.66</b>                                    | <b>875.21</b>                                       | <b>2,904.91</b>             |
| 8      | Other comprehensive income   |                                    |  |   |                             |
|        | (A) (i) Items that will not be reclassified to the statement of profit and loss  | 3.42                               | 553.25   | (0.20)  | 552.66                      |
|        | (ii) Income-tax relating to items that will not be reclassified to the statement of profit and loss                      | (0.86)                             | (139.30)   | 0.07  | (139.09)                    |
|        | (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                          | -                                  | -  | -   | -                           |
|        | <b>Total other comprehensive income</b>  | <b>2.56</b>                        | <b>413.95</b>                                    | <b>(0.13)</b>                                       | <b>413.57</b>               |
| 9      | <b>Total comprehensive income for the period (comprising profit and other comprehensive income for the period (7+8))</b> | <b>(874.78)</b>                    | <b>1,231.61</b>                                  | <b>875.08</b>                                       | <b>3,318.48</b>             |
| 10     | Paid-up equity share capital (face value of ₹ 2 each)  | 720.48                             | 720.48   | 720.48  | 720.48                      |
| 11     | Other equity   |                                    |  |   | 30,149.95                   |
| 12     | Earnings per share*  |                                    |  |   |                             |
|        | (a) Basic  | (2.44)                             | 2.27   | 2.43  | 8.06                        |
|        | (b) Diluted  | (2.44)                             | 2.27   | 2.43  | 8.06                        |

\* not annualised except for the year ended 31 March 2020

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

## Notes:

1. The standalone financial results of Sterling Tools Limited (the 'Company') for the quarter ended 30 June 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10 August 2020. The statutory auditors of the Company have expressed an unmodified review conclusion on these 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 and other accounting principles generally accepted in India.
3. Figures for the quarter ended 31 March 2020 represent the balancing figures between the audited figures for the full financial year and published year to date figures upto the third quarter of the year ended 31 March 2020.
4. The Company's business falls within a single business segment in terms of the Indian Accounting Standard 108 - Operating Segments.
5. From financial year 2020-21, the Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.
6. Exceptional items for the quarter and year ended 31 March 2020 includes provision for diminution in the value of investment in the joint venture company, Sterling Fabory India Private Limited. Owing to the current operations of the joint venture company, the management had performed an impairment assessment and basis the same, had recorded a provision of diminution in the value of investments amounting to Rs. 328.25 lakh.
7. Spread of COVID - 19 has affected the economic activity across the Globe, including India. Government of India has taken significant measures to curb the spread of the infection including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's manufacturing plants and offices were closed for a considerable period of time. As a result of the temporary suspension of operations, results for the quarter ended 30 June 2020 has been impacted. Management believes that it has taken into account all the possible impacts of known events arising from the COVID - 19 pandemic on the standalone financial results including its assessment of the Company's liquidity and going concern, recoverable value of its property, plant and equipment, trade receivables, inventories and investment. However, given the uncertainties in the economic environment, management's impact assessment is subject to significant estimation uncertainties, and accordingly, the actual results in future may be different from those estimated as at the date of approval of these standalone financial results. The Company will continue to monitor any material changes to the future economic conditions and consequential impact on its business/operations.

For and on behalf of the Board of Directors

**ANIL  
AGGARWAL**

Digitally signed by ANIL AGGARWAL  
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Date: 2020.08.10 12:47:01 +05'30'

Place: Faridabad  
Date: 10 August 2020

(Anil Aggarwal)  
Managing Director

Independent Auditor's Review Report on Standalone Unaudited Quarterly 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**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Sterling Tools Limited ('the Company') for the quarter ended 30 June 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the accounting principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the accounting principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the



# Walker Chandniok & Co LLP

## Appendix A

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**Chartered Accountants**

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Walker Chandniok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India



# 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 I

## Statement of consolidated unaudited financial results for the quarter ended 30 June 2020

(₹ in lakhs, except per share data)

| S. no. | Particulars  | Three months ended<br>30 June 2020 | Preceding three<br>months ended<br>31 March 2020 | Corresponding three<br>months ended<br>30 June 2019 | Year ended<br>31 March 2020 |
|--------|--|------------------------------------|--|---|-----------------------------|
|        |  | (Unaudited)                        | (Audited)<br>(Refer note 3)                      | (Unaudited)   | (Audited)                   |
| 1      | <b>Income</b>  |                                    |  |   |                             |
|        | (a) Revenue from operations  | 2,026.95                           | 8,582.88   | 10,430.88   | 36,424.15                   |
|        | (b) Other income   | 119.41                             | 129.17   | 142.65  | 624.34                      |
|        | <b>Total income</b>  | <b>2,146.36</b>                    | <b>8,712.05</b>                                  | <b>10,573.53</b>                                    | <b>37,048.49</b>            |
| 2      | <b>Expenses</b>  |                                    |  |   |                             |
|        | (a) Cost of materials consumed   | 525.33                             | 2,853.76   | 4,008.01  | 12,334.97                   |
|        | (b) Changes in inventories of finished goods and work-in-progress  | 322.74                             | 381.04   | 66.87   | 1,403.40                    |
|        | (c) Employee benefits expense  | 802.08                             | 814.23   | 954.80  | 3,641.52                    |
|        | (d) Finance costs  | 180.28                             | 179.23   | 139.48  | 626.44                      |
|        | (e) Depreciation and amortisation expenses   | 594.34                             | 655.59   | 545.58  | 2,421.87                    |
|        | (f) Consumption of stores and spares   | 151.32                             | 777.87   | 727.81  | 2,823.92                    |
|        | (g) Power and fuel   | 181.57                             | 693.92   | 790.22  | 2,818.89                    |
|        | (h) Other expenses   | 556.38                             | 1,684.64   | 2,031.82  | 7,316.92                    |
|        | <b>Total expenses</b>  | <b>3,314.04</b>                    | <b>8,040.28</b>                                  | <b>9,264.59</b>                                     | <b>33,387.93</b>            |
| 3      | Share of loss of joint venture   | (22.49)                            | (2.19)   | (14.58)   | (59.95)                     |
| 4      | <b>Profit before tax (1-2+3)</b>   | <b>(1,190.17)</b>                  | <b>669.58</b>                                    | <b>1,294.36</b>                                     | <b>3,600.61</b>             |
| 5      | Tax expense  |                                    |  |   |                             |
|        | (a) Current tax  | 0.80                               | 108.12   | 501.04  | 597.17                      |
|        | (b) Deferred tax   | (269.08)                           | (450.17)   | (70.19)   | (47.00)                     |
|        | <b>Total tax expenses</b>  | <b>(268.28)</b>                    | <b>(342.05)</b>                                  | <b>430.85</b>                                       | <b>550.17</b>               |
| 6      | <b>Profit for the period (4-5)</b>   | <b>(921.89)</b>                    | <b>1,011.63</b>                                  | <b>863.51</b>                                       | <b>3,050.44</b>             |
| 7      | Other comprehensive income   |                                    |  |   |                             |
|        | (A) (i) Items that will not be reclassified to the statement of profit and loss  | 3.42                               | 553.25   | (0.20)  | 552.66                      |
|        | (ii) Income-tax relating to items that will not be reclassified to the statement of profit and loss                      | (0.86)                             | (139.30)   | 0.07  | (139.09)                    |
|        | (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                          | -                                  | -  | -   | -                           |
|        | <b>Total other comprehensive income</b>  | <b>2.56</b>                        | <b>413.95</b>                                    | <b>(0.13)</b>                                       | <b>413.57</b>               |
| 8      | <b>Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (6+7)</b> | <b>(919.33)</b>                    | <b>1,425.58</b>                                  | <b>863.38</b>                                       | <b>3,464.01</b>             |
| 9      | <b>Profit for the period attributable to</b>   |                                    |  |   |                             |
|        | (a) Owners of the Holding Company  | (921.50)                           | 1,012.45   | 863.51  | 3,051.26                    |
|        | (b) Non controlling interest   | (0.39)                             | (0.82)   | -   | (0.82)                      |
| 10     | <b>Other comprehensive income attributable to</b>  |                                    |  |   |                             |
|        | (a) Owners of the Holding Company  | 2.56                               | 413.95   | (0.13)  | 413.57                      |
|        | (b) Non controlling interest   | -                                  | -  | -   | -                           |
| 11     | <b>Total comprehensive income attributable to</b>  |                                    |  |   |                             |
|        | (a) Owners of the Holding Company  | (918.94)                           | 1,426.40   | 863.38  | 3,464.83                    |
|        | (b) Non controlling interest   | (0.39)                             | (0.82)   | -   | (0.82)                      |
| 12     | Paid-up equity share capital (face value of ₹ 2 each)  | 720.48                             | 720.48   | 720.48  | 720.48                      |
| 13     | Other equity   |                                    |  |   | 29,925.44                   |
| 14     | Earnings per share*  |                                    |  |   |                             |
|        | (a) Basic  | (2.56)                             | 2.81   | 2.40  | 8.47                        |
|        | (b) Diluted  | (2.56)                             | 2.81   | 2.40  | 8.47                        |

\* not annualised except for the year ended 31 March 2020

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

## Notes:

1. The consolidated financial results of Sterling Tools Limited (the 'Holding Company') for the quarter ended 30 June 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10 August 2020. The statutory auditors of the Holding Company have expressed an unmodified review conclusion on these 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 and other accounting principles generally accepted in India.
3. Figures for the quarter ended 31 March 2020 represent the balancing figure between the audited figures for the full financial year and published year to date figures upto the third quarter of the year ended 31 March 2020.
4. The Group's business falls within a single business segment in terms of the Indian Accounting Standard 108 - Operating Segments.
5. From financial year 2020-21, the Holding Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.
6. Spread of COVID - 19 has affected the economic activity across the Globe, including India. Government of India has taken significant measures to curb the spread of the infection including imposing mandatory lockdowns and restrictions in activities. Consequently, Holding Company's manufacturing plants and offices were closed for a considerable period of time. As a result of the temporary suspension of operations, results for the quarter ended 30 June 2020 has been impacted. Management believes that it has taken into account all the possible impacts of known events arising from the COVID – 19 pandemic on the consolidated financial results including its assessment of the Holding Company's liquidity and going concern, recoverable value of its property, plant and equipment, trade receivables, inventories and investment. However, given the uncertainties in the economic environment, management's impact assessment is subject to significant estimation uncertainties, and accordingly, the actual results in future may be different from those estimated as at the date of approval of these consolidated financial results. The Holding Company will continue to monitor any material changes to the future economic conditions and consequential impact on its business/operations.

Place: Faridabad  
Date: 10 August 2020

For and on behalf of the Board of Directors

**ANIL**

**AGGARWAL**

Digitally signed by ANIL AGGARWAL  
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(Anil Aggarwal)  
Managing Director



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Walker Chandiook & Co LLP  
L 41, Connaught Circus,  
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New Delhi – 110 001  
India  
T +91 11 45002219  
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**Independent Auditor's Review Report on Consolidated Unaudited Quarterly 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**

1. We have reviewed the accompanying statement of unaudited consolidated 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 (refer Annexure 1 for the list of subsidiaries and joint venture included in the Statement) for the quarter ended 30 June 2020, 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) including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the accounting principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



# Walker Chandiook & Co LLP

## Annexure 1

### List of entities included in the Statement

1. Haryana Ispat Private Limited, subsidiary;
2. Sterling Gtake E-mobility Limited, subsidiary; and
3. Sterling Fabory India Private Limited, joint venture.

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# Walker Chandniok & Co LLP

## Appendix A

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**Chartered Accountants**

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Walker Chandniok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India