

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
1st Floor, P. J. Towers
Dalal Street, Fort
Mumbai – 400001

Security Code: 530759**Through Neaps**

National Stock Exchange of India Limited
“Exchange Plaza”,
Bandra–Kurla Complex, Bandra (E)
Mumbai-400051

Scrip Code: STERTOOLS**Date: 28th November 2020****Ref.: STL/SD/01/2020-2021**

Subject: Postal Ballot Notice u/s 110 of the Companies Act, 2013 and Rules made thereunder

Dear Sir/Madam,

Please find enclosed herewith, Copy of the Postal Ballot Notice & Calendar of Event issued under Section 110 of the Companies Act, 2013.

Further, we wish to inform you that the Company will complete the dispatch of notice by 28th November, 2020 only through e-mail, in terms of the requirements of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 for seeking member's assent or dissent in relation to Resolution(s) as mentioned in postal ballot notice.

Kindly take the same on record and oblige.

Thanking you

Sincerely
For **Sterling Tools Limited**


Vaishali Singh
Company Secretary

**Encl.: as above**



STERLING TOOLS LIMITED

CIN No.: L29222DL1979PLC009668

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

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

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

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

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 AND RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

Dear Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 (the "Companies Act"), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, read with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020, issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars") that the Resolution appended below for seeking approval for payment of success fees to Shri Jaideep Wadhwa, Non-executive Director of the Company, is proposed to be passed as an Ordinary Resolution by the Members of Sterling Tools Limited ("Company") through Postal Ballot only by voting through electronic means ("remote e-voting").

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice and login ID and password for remote e-voting. The communication of the assent or dissent/voting of the Members on the resolution would only take place through the remote e-voting system.

An explanatory statement pursuant to Section 102 of the Companies Act and other applicable legal provisions of the Companies Act the Companies (Meetings of Board and its Powers) Rules, 2014, pertaining to the said Resolution setting out the material facts and the reasons thereof, is also appended. Pursuant to Rule 22(5) of the Management Rules, the Company has appointed Shri Santosh Kumar Pradhan, Practicing Company Secretary (C.P. No. 7647) as the scrutinizer (the "Scrutinizer") to conduct the Postal Ballot voting through remote e-voting process in a fair and transparent manner.

The remote e-voting period commences from 9.00 a.m. (IST) Monday, November 30, 2020 and ends at 5.00 p.m. (IST) on Tuesday, December 29, 2020. The Scrutinizer shall after conclusion of the voting through remote e-voting unblock the votes cast through remote e-voting. The Scrutinizer will submit his report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot will be announced on Monday, December 30, 2020.

The said results along with the Scrutinizer's Report would be intimated to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed and would be available on their website at www.bseindia.com and www.nseindia.com respectively. Additionally, the results will also be uploaded on the Company's website www.stlfasteners.com and on the website of National Securities Depository Limited (NSDL) (Agency for providing e-voting platform) i.e. <https://www.evoting.nsdl.com>.

SPECIAL BUSINESS:

1. **Payment of success fee / performance fee to Shri Jaideep Wadhwa - Non- Executive Non-Independent Director of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with read with Regulation 17(6) (ca) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time, the consent of the members be and is hereby accorded for the payment of Success Fee/Performance Fee of Rs. 50 lacs to Mr. Jaideep Wadhwa, the Non-Executive Non-Independent director of the Company."



"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

By Order of the Board
For Sterling Tools Limited

Date: 10th November 2020

Place: Faridabad

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

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

NOTES:

1. An Explanatory Statement setting out the material facts concerning the Resolution is annexed.
2. In compliance with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020 issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.
3. Members may note that this Postal Ballot Notice will also be available on the Company's website, www.stlfasteners.com, websites of the Stock Exchanges where the equity shares of the Company are listed i.e. BSE Limited, www.bseindia.com and National Stock Exchange of India Limited, www.nseindia.com and on the website of National Depository Securities Limited ("NSDL").
4. The Resolution, if passed by requisite majority, will be deemed to have been passed on the last date of remote e-voting i.e. Tuesday, December 29, 2020.
5. Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, assent or dissent of the members in respect of the resolution contained in the Notice dated 10th November, 2020 is being taken through Remote e-voting only.
6. The Company has appointed Shri Santosh Kumar Pradhan, Company Secretary in Practice as Scrutinizer for conducting the Postal Ballot / Remote e-voting process.
7. Notice is being sent to all Members/ beneficiaries; whose names appear on the Register of members/ Record of Depositories as on 20th November, 2020. Voting rights shall be reckoned on the shares registered in the name of shareholders as on that date.
8. The Remote e-voting begins on Monday, 30th November, 2020 at 9.00 am and end on Tuesday, 29th December 2020 at 5.00 pm.
9. The Scrutinizer will submit his report after last date of receipt of Postal Ballot/ Remote e-voting i.e. 30th December, 2020.
10. The results of voting shall be declared by the Chairman of the Company on 30th December 2020. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.stlfasteners.com and will be communicated to the BSE & NSE and also on the website of NSDL.

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

Explanatory Statement pursuant to Section 102 of the Companies Act 2013

Item No. 1

The payment of success fee/performance fee to Shri Jaideep Wadhwa - Non- Executive Non-Independent Director of the Company

Based on the recommendation of Nomination and Remuneration Committee and Audit Committee, the Board of Directors proposes the payment of success fee / performance fee to Shri Jaideep Wadhwa - Non- Executive Non- Independent Director of the Company

Mr. Jaideep Wadhwa (DIN 00410019) has been appointed as Non-Executive Non-Independent Director on March 27, 2019 at an Annual Advisory Fee of Rs. 60 lacs for advising the Company on International Business Alliances through Joint Ventures/Acquisitions and to provide strategic guidance to support domestic as well as international business development of the Company including diversification to develop new business avenues.



Pursuant to Clause 6 of the Advisory Agreement with Mr. Jaideep Wadhwa, there is a provision to pay "Success as well as Performance Fee" upon successful completion of any venture/acquisition which has been led by him and on achievement of agreed growth targets. The amount of said fee to be decided by the Board of Directors on case to case basis based upon the size of the Venture, capital requirements and the overall benefits which Company is going to have out of that arrangement.

As the entire world is adopting the global shift to Electrification of vehicles, the Company is also working on several EV related projects under the guidance of Mr. Jaideep Wadhwa. The Company's Electric Vehicle component venture Sterling Gtake E-Mobility Ltd, a Joint venture of our Company with a China based Company named Jiangsu Gtake Electric Ltd. (Gtake) in recent past is an outcome of the deliberative efforts of Mr. Jaideep Wadhwa.

As per this Joint Venture agreement our partners Jiangsu Gtake Electric Co. Ltd. (Gtake) will provide the JV Company the technology to manufacture Motor Control Units (MCUs) and that MCUs will be served to the entire spectrum of the market from low speed electric scooters to electric buses.

This entire Joint Venture Project was handled by Jaideep Wadhwa, from initiation of dialogues with said Company to finalization and execution of Joint Venture related documents and even after execution; he is involved in day to day supervision of this Project.

The Manufacturing facility with Testing Lab of Sterling Gtake E-mobility Limited is already set up in Faridabad.

Since the said Project is now in its operational phase, it is proposed to reward Mr. Jaideep Wadhwa for his efforts by paying a onetime lump sum payment of Rs. 50 lacs to honour the above mentioned Clause 6 of Advisory Agreement.

Though the above said payment doesn't fall under the definition of Remuneration as Mr. Jaideep Wadhwa has been acting as an Advisor for the Company as well and been getting Advisory fees for his professional services, still pursuant to the provision of Section 188(1)(f) of the Companies Act, 2013, read with Regulation 17(6) (ca) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, any payment to any Non Executive Director beyond a certain threshold needs to be approved by the shareholders.

Except Shri Jaideep Wadhwa, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 1. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

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

**Date: 10th November 2020
Place: Faridabad**

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

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

The procedure and instructions for e-voting as given in the Notice dated 10th November 2020 for Postal Ballot, are reproduced hereunder for easy reference:

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

The remote e-voting period begins on Monday, 30th November, 2020 at 9:00 A.M. and ends on Tuesday, 29th December, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.



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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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

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



8. Now, you will have to click on "Login" button.
After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Sterling Tools Limited for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nSDL.com or call on toll free no.: 1800-222-990.
- B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- C. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- D. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 20th November, 2020.
- E. The Company has appointed Shri Santosh Kumar Pradhan, Practicing Company Secretary (FCS No. 6973, C-7647) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- F. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.stlfasteners.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges i.e. BSE and NSE.

**TENTATIVE CALENDER OF EVENTS
OF POSTAL BALLOT OF STERLING TOOLS LIMITED**

S. No.	Events	Date
1.	Date on which consent was given by the Scrutinizer to act in that capacity.	02-11-2020 (Monday)
2.	Date of Board Resolution approving the Postal Ballot Notice and authorizing the Directors/Director/Company Secretary to be responsible for the entire Postal Ballot Process.	10-11-2020 (Tuesday)
3.	Intimation to Stock Exchange about Postal Ballot	28-11-2020 (Saturday)
4.	Cut-off Date for determining List of Shareholders to whom the notice of Postal Ballot will be sent and also for reckoning voting rights.	20-11-2020 (Friday)
5.	Date of completion of dispatch of Postal Ballot Notice alongwith the Explanatory Statement and Postal Ballot Form. (through e mail)	28-11-2020 (Saturday)
6.	E -Voting Period (commencement and ending period)	30-11-2020 (Monday 09.00 A M) to 29-12-2020 (Tuesday 5.00 P M)
7.	E-Voting ends	29-12-2020 (Tuesday)
8.	Date of Submission of report by the Scrutinizer to the Chairman/ person authorised by the Chairman.	30-12-2020 (Wednesday)
9.	Date of declaration of results of the Postal Ballot by the Chairman / person authorised by the Chairman.	30-12-2020 (Wednesday)
10.	Declaration of Results to BSE and uploading of results of Postal Ballot on the website of the company	30-12-2020 (Wednesday)

