

STERLING TOOLS LIMITED

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**Through Listing Centre**

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

Security Code No.: 530759

By Neaps

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

Security Code No.: STERTOOLS

Dated: 23rd December, 2019

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “Listing Regulations”).

Dear Sir / Madam,

This is to inform you that the Company has entered into a Joint Venture (JV) Agreement with Jiangsu Gtake Electric Company Limited, a China based Company. The two companies have agreed to join hands to provide the Indian Electric Vehicle OEM's with best in class MCUs. The agreement calls for the companies to manufacture MCU's domestically to cater to the Indian automotive market by developing local design engineering, application support and after sales service capabilities as per the requirements of the Indian industry.

Further the detailed disclosure as required under Listing Regulations has been enclosed herewith as “Annexure – I” and a copy of the press release for the same has been enclosed as per “Annexure – II”.

Sincerely
For **Sterling Tools Limited**


Vaishali Singh
Company Secretary

Encl.: as above.

ANNEXURE – I

S. No.	Particulars	Description
1.	Name of party with whom the Joint Venture agreement is entered;	Jiangsu GTAKE Electric Company Limited (GTAKE)
2.	Purpose of entering into the agreement,	The two companies have agreed to join hands to provide the Indian Electric Vehicle OEM's with best in class MCUs. The agreement calls for the companies to manufacture MCU's domestically to cater to the Indian automotive market by developing local design engineering, application support and after sales service capabilities as per the requirements of the Indian industry.
3.	Shareholding, if any, in the entity with whom the agreement is executed,	Equity Sharing ratio is 51%:44%. The Proposed Joint Venture Company would be a subsidiary of Sterling Tools Limited.
4.	Significant terms of the agreement (in brief) special rights <ul style="list-style-type: none"> ➤ No of Directors (both parties) ➤ Right to share subscription in case of issuance of shares ➤ Right to restrict any change in capital structure ➤ Details of Nominee on the Board of Directors 	<ul style="list-style-type: none"> ➤ The total number of directors on JVC will be 5. Out of 5, 3 will be appointed by Sterling Tools Limited and 2 will be appointed by GTAKE ➤ As per shareholding ratio ➤ Require consent of both the parties ➤ Yet to be decided
5.	Whether, the said parties are related to promoter / promoter group / group companies in any manner. If yes, nature of relationship;	None
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	Both the parties are not related to each other.
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued;	Equity Shares of Rs. 10/- each.
8.	Any other disclosures related to such agreements, viz , details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements,	<ul style="list-style-type: none"> a) Chairman and Managing Director shall be the appointed by the Board as nominated by Sterling Tools Limited. b) Chief Financial Officer shall be appointed by the Board as nominated by Sterling Tools Limited.





STERLING TOOLS & GTAKE Form a Joint Venture Company

Sterling Tools Ltd (STL), a leading auto component company in India and Jiangsu GTAKE Electric Co. Ltd. (GTAKE), a technology leader in Motor Control Units (MCUs) for Electric & Hybrid Vehicles have formed a Joint Venture (JV) to design, manufacture and supply MCUs in India. The JV company will be a subsidiary of Sterling Tools Ltd and will commence production by IQ FY '21. The two companies have agreed to join hands to provide the Indian Electric Vehicle OEM's with best in class MCUs. The agreement calls for the companies to manufacture MCU's domestically to cater to the Indian automotive market as well as to develop local design engineering, application support and after sales service capabilities as per the requirements of the Indian industry.

GTAKE is an R&D led organization and 40% of its workforce is engaged in the function. The company was incorporated in 2009 and has a dominant market share for MCUs in China. It's customers include Kinglong, Yutong, Dongfeng & Zhongtong. GTAKE product range covers MCUs for motors from 1 – 200kW (rated) and from 48 – 750V. The company has developed several unique products that integrate additional powertrain functionality. GTAKE controllers optimize torque characteristics and efficiencies of electric motors over wide operating conditions.

Mr. Anil Aggarwal, Managing Director, Sterling Tools, said: "GTAKE is one of the leading players in the EV space in China and the joint venture with GTAKE is an important first step in STL's journey to becoming a major EV component company".

Dr. Yichen Fang, CEO, GATKE, Ltd., said: "India is a large and growing market which we believe is of strategic importance. We are glad to partner with one of the reputed Indian auto component companies and look forward to a successful partnership".

About Sterling Tools Limited

Sterling Tools Limited (STL), is a listed company engaged in the manufacturing as well as marketing of high tensile cold forged fasteners and is a reputed component supplier to Indian & Global automotive companies. The company caters to the leading manufacturers across all sectors of the auto industry in India

STL plans to cater to the component requirements of Indian EV industry and is evaluating tie-ups with global firms for various products & technologies.

A handwritten signature in black ink, appearing to be 'Anil Aggarwal', is located at the bottom center of the page.