

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

Date: 23rd May, 2018
Ref.: STL/SD/01/2018-2019

Ref.: Security Code No.: 530759

Sub: Outcome of Meeting of the Board of Directors under Clause 30(4) of Listing Regulation

Dear Sir,

Pursuant to the provisions of Clause 30(4) and other applicable Clauses of the Listing Regulation, this is to inform you that Board of Directors in its meeting held on Wednesday, 23rd May, 2018 concluded at 3:00 P. M. has approved Standalone / Consolidated Unaudited / Audited Financial Results for the Quarter / Year Ended 31st March, 2018.

Sincerely
For **Sterling Tools Limited**


Vaishali Singh
Company Secretary

Encl.: as above.

REGD. OFFICE : K-40, Connaught Circus,
New Delhi-110001 India
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Walker Chandiook & Co LLP

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

To the Board of Directors of Sterling Tools Limited

1. We have audited the standalone financial results of Sterling Tools Limited (the 'Company') for the year ended 31 March 2018, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 3 to the standalone financial results regarding the figures for the quarter ended 31 March 2018 as reported in these standalone financial results, which are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These standalone financial results are based on the standalone financial statements for the year ended 31 March 2018 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 (the 'Act') and published standalone year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2018 and our review of standalone financial results for the nine months period ended 31 December 2017.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



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

3. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
 - (ii) give a true and fair view of the standalone net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2018.
4. The Company had prepared separate standalone financial results for the year ended 31 March 2017, based on the standalone financial statements for the year ended 31 March 2017 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and standalone financial results for the nine months period ended 31 December 2016 prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other accounting principles generally accepted in India, which were audited by the predecessor auditor vide their unmodified reports dated 26 May 2017 and 11 February 2017 respectively. These standalone financial results for the quarter and year ended 31 March 2017 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Anamitra Das

per Anamitra Das

Partner

Membership No. 062191



Place: Faridabad

Date: 23 May 2018

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

To the Board of Directors of Sterling Tools Limited

1. We have audited the accompanying statement of consolidated financial results ('Statement') of Sterling Tools Limited (the 'Company') and its subsidiary (the Company and its subsidiary together referred to as the 'Group'), and its joint venture for the year ended 31 March 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March 2018 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 (the 'Act') and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2018.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial results of the subsidiary and joint venture, this Statement:
 - (i) includes the financial results for the year ended 31 March 2018 of the following entities:
 - a) Haryana Ispat Private Limited, Subsidiary; and
 - b) Sterling Fabory India Private Limited, Joint Venture.
 - (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and



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

- (iii) give a true and fair view of the consolidated net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Act for the year ended 31 March 2018.
4. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹ 235.68 lakh and net assets of ₹ 227.53 lakh as at 31 March 2018 and total revenues of ₹ 19.41 lakh for the year ended 31 March 2018 as considered in the Statement. The Statement also include the Group's share of net profit (including other comprehensive income) of ₹ 25.86 lakh for the year ended 31 March 2018, as considered in the Statement, in respect of one joint ventures whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of a subsidiary and a joint venture, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiary and joint venture are based solely on the reports of such other auditors.
- Our opinion on the Statement is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.
5. The Company had prepared separate consolidated financial results for the year ended 31 March 2017, based on the consolidated financial statements for the year ended 31 March 2017 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other accounting principles generally accepted in India, which were audited by the predecessor auditor whose report dated 26 May 2017 expressed an unmodified opinion. These consolidated financial results for the year ended 31 March 2017 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Anamitra Das

per **Anamitra Das**
Partner

Membership No. 062191



Place: Faridabad

Date: 23 May 2018



STERLING TOOLS LIMITED

Regd. Office: K-40, CONNAUGHT CIRCUS, NEW DELHI-110001

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

Statement of audited standalone financial results for the quarter and year ended 31 March 2018 and audited consolidated financial results for the year ended 31 March 2018

(₹ in lakhs, except per share data)

| S. No. | Particulars | Standalone | | | | Consolidated | |
|--------|--|----------------------------|---------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | | Quarter ended | | Year ended | | Year ended | |
| | | 31 March 2018 (Audited) | 31 December 2017 (Unaudited) | 31 March 2017 (Audited) | 31 March 2018 (Audited) | 31 March 2017 (Audited) | 31 March 2017 (Audited) |
| 1 | Income | | | | | | |
| | (a) Revenue from operations | 13,119.07 | 10,884.12 | 11,060.26 | 46,448.93 | 41,529.14 | 46,448.93 |
| | (b) Other income | 153.74 | 231.98 | 544.45 | 561.56 | 691.35 | 580.97 |
| | Total income | 13,272.82 | 11,116.10 | 11,604.71 | 47,010.50 | 42,220.49 | 47,029.90 |
| 2 | Expenses | | | | | | |
| | (a) Cost of materials consumed | 5,028.69 | 4,457.47 | 3,500.89 | 17,394.55 | 13,776.74 | 17,394.56 |
| | (b) Changes in inventories of finished goods and work-in-progress | 110.75 | (712.85) | 357.32 | (569.35) | (372.52) | (569.34) |
| | (c) Excise duty | (0.00) | - | 1,149.04 | 1,158.34 | 4,440.24 | 1,158.34 |
| | (d) Employee benefits expense | 823.60 | 848.66 | 739.86 | 3,352.21 | 3,075.87 | 3,352.22 |
| | (e) Finance cost | 95.71 | 85.12 | 137.26 | 377.83 | 558.18 | 378.00 |
| | (f) Depreciation and amortization expense | 424.77 | 468.33 | 440.34 | 1,758.85 | 1,663.89 | 1,758.86 |
| | (g) Power and fuel | 935.64 | 918.57 | 618.79 | 3,498.15 | 2,737.18 | 3,498.15 |
| | (h) Other expenses | 4,156.58 | 3,067.67 | 3,322.39 | 12,547.29 | 10,303.78 | 12,548.80 |
| | Total expenses | 11,575.74 | 9,132.97 | 10,265.89 | 39,517.87 | 36,183.36 | 39,519.59 |
| 3 | Share of profit of joint ventures | - | - | - | - | - | 25.86 |
| 4 | Profit before tax (1-2+3) | 1,697.08 | 1,983.13 | 1,338.82 | 7,492.62 | 6,037.13 | 6,029.21 |
| 5 | Tax expense | | | | | | |
| | (a) Current tax | 522.19 | 717.12 | 507.43 | 2,645.39 | 2,009.71 | 2,649.87 |
| | (b) Deferred tax | (5.62) | 9.35 | 33.08 | (18.88) | 106.90 | (18.88) |
| | Total tax expenses | 516.57 | 726.47 | 540.51 | 2,626.50 | 2,116.61 | 2,630.99 |
| 6 | Profit for the period (4-5) | 1,180.51 | 1,256.66 | 798.31 | 4,866.11 | 3,920.52 | 4,905.16 |
| 7 | Other comprehensive income | | | | | | |
| | (A) (i) Items that will not be reclassified to the statement of profit and loss | (59.75) | (3.59) | (3.59) | (70.53) | (14.37) | (70.53) |
| | (ii) Income tax relating to items that will not be reclassified to the statement of profit and loss | 20.68 | 1.24 | 1.24 | 24.41 | 4.97 | 24.41 |
| | (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 | (39.07) | (2.35) | (2.35) | (46.12) | (9.40) | (46.12) |
| 8 | Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (6+7) | 1,141.44 | 1,254.31 | 795.96 | 4,819.99 | 3,911.12 | 4,859.04 |
| 9 | Profit for the period attributable to | | | | | | |
| | (a) Owners of the Company | 1,180.51 | 1,256.66 | 798.31 | 4,866.11 | 3,920.52 | 4,905.16 |
| | (b) Non controlling interest | - | - | - | - | - | - |
| 10 | Other comprehensive income attributable to | | | | | | |
| | (a) Owners of the Company | (39.07) | (2.35) | (2.35) | (46.12) | (9.40) | (46.12) |
| | (b) Non controlling interest | - | - | - | - | - | - |
| 11 | Total comprehensive income attributable to | | | | | | |
| | (a) Owners of the Company | 1,141.44 | 1,254.31 | 795.96 | 4,819.99 | 3,911.12 | 4,859.04 |
| | (b) Non controlling interest | - | - | - | - | - | - |
| 12 | Paid-up equity share capital (face value of ₹ 2 each) | 720.48 | 720.48 | 684.46 | 720.48 | 684.46 | 720.48 |
| 13 | Earnings per share* | | | | | | |
| | (a) Basic | 3.28 | 3.49 | 2.33 | 13.66 | 11.46 | 13.77 |
| | (b) Diluted | 3.28 | 3.49 | 2.33 | 13.66 | 11.46 | 13.77 |

* not annualised



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STERLING TOOLS LIMITED

Regd. Office: K-40, CONNAUGHT CIRCUS, NEW DELHI-110001

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

Statement of assets and liabilities

(₹ in lakhs)

| Particulars | Standalone | | Consolidated | |
|--|------------------------|------------------------|------------------------|------------------------|
| | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2018 | As at 31 March 2017 |
| | (Audited) | (Audited) | (Audited) | (Audited) |
| ASSETS | | | | |
| Non-current asset | | | | |
| (a) Property, plant and equipment | 14,840.00 | 15,455.78 | 15,829.55 | 16,445.34 |
| (b) Capital work-in-progress | 976.93 | - | 976.93 | - |
| (c) Other intangible assets | 21.74 | 8.25 | 21.74 | 8.25 |
| (d) Financial assets | | | | |
| (i) Investments | 1,886.75 | 1,786.75 | 274.00 | 148.15 |
| (ii) Loans | 125.04 | 97.74 | 125.04 | 97.74 |
| (iii) Others | - | 0.51 | 0.90 | 1.41 |
| (e) Non-current tax assets (net) | - | 20.37 | - | 20.37 |
| (f) Other non-current assets | 470.37 | 156.22 | 470.37 | 156.22 |
| Total non current assets | 18,320.83 | 17,525.62 | 17,698.53 | 16,877.48 |
| Current assets | | | | |
| (a) Inventories | 5,454.43 | 4,593.77 | 5,454.43 | 4,593.77 |
| (b) Financial assets | | | | |
| (i) Investments | 5,353.18 | - | 5,353.18 | - |
| (ii) Trade receivables | 4,546.89 | 3,422.61 | 4,546.89 | 3,422.61 |
| (iii) Cash and cash equivalents | 100.84 | 228.91 | 101.85 | 229.69 |
| (iv) Bank balances other '(iii)' above | 48.63 | 52.42 | 168.62 | 52.42 |
| (v) Loans | 21.48 | 21.05 | 133.06 | 238.05 |
| (vi) Others | 168.15 | 111.95 | 5.23 | 29.14 |
| (c) Other current assets | 1,460.93 | 1,129.59 | 1,625.13 | 1,212.40 |
| Total current assets | 17,154.53 | 9,560.30 | 17,388.39 | 9,778.08 |
| TOTAL ASSETS | 35,475.36 | 27,085.92 | 35,086.92 | 26,655.56 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity share capital | 720.48 | 684.46 | 720.48 | 684.46 |
| (b) Other equity | 24,083.10 | 15,735.29 | 23,686.54 | 15,299.67 |
| Total equity | 24,803.58 | 16,419.75 | 24,407.02 | 15,984.13 |
| Non current liabilities | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 1,647.07 | 2,521.91 | 1,647.07 | 2,521.91 |
| (ii) Other financial liabilities (other than those specified in item (b)) | 25.79 | 28.25 | 25.79 | 28.25 |
| (b) Provisions | 129.26 | 107.63 | 129.26 | 107.63 |
| (c) Deferred tax liabilities (net) | 1,522.09 | 1,565.38 | 1,522.09 | 1,565.38 |
| (d) Other non-current liabilities | 1,104.29 | 1,173.56 | 1,104.29 | 1,173.56 |
| Total non current liabilities | 4,428.50 | 5,396.73 | 4,428.50 | 5,396.73 |
| Current liabilities | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 858.66 | 272.08 | 863.24 | 272.08 |
| (ii) Trade payables | 3,646.78 | 2,856.49 | 3,647.08 | 2,856.72 |
| (iii) Other financial liabilities (other than those specified in item (c)) | 1,078.18 | 1,382.19 | 1,078.18 | 1,382.19 |
| (b) Other current liabilities | 522.06 | 487.76 | 522.06 | 487.76 |
| (c) Provisions | 124.75 | 68.53 | 124.75 | 68.53 |
| (d) Current tax liabilities (net) | 12.85 | 202.39 | 16.09 | 207.42 |
| Total current liabilities | 6,243.28 | 5,269.44 | 6,251.40 | 5,274.70 |
| TOTAL EQUITY AND LIABILITIES | 35,475.36 | 27,085.92 | 35,086.92 | 26,655.56 |



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Notes:

- The standalone financial results of Sterling Tools Limited (the 'Company') for the year and quarter ended 31 March 2018 and 31 March 2017 and consolidated financial results for the year ended 31 March 2018 and 31 March 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 23 May 2018.
- The Company adopted Indian Accounting Standards ('Ind AS') from 1 April 2017 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting" ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- Figures for the quarter ended 31 March 2018 and 31 March 2017 represents the balancing figures between the standalone audited figures for the full financial years and published year to date figures upto the third quarter of the respective financial years as restated in accordance with applicable Ind AS.
- Reconciliation between financial results as previously reported under Indian GAAP and Ind AS for the quarter and year ended 31 March 2017:

(₹ in lakhs)

| Particulars | Standalone | | Consolidated |
|--|--------------------------------|-----------------------------|-----------------------------|
| | Quarter ended 31 March 2017 | Year ended 31 March 2017 | Year ended 31 March 2017 |
| Net profit after tax as per previous Indian GAAP | 784.22 | 3,885.68 | 3,876.22 |
| Impact of fair valuation of derivative contracts | 16.88 | 45.76 | 45.77 |
| Impact on actuarial loss on defined benefit plans | 3.62 | 14.37 | 14.50 |
| Amortisation of transaction cost as per Effective Interest Rate method | (0.96) | (3.89) | (3.88) |
| Others | 0.96 | (4.00) | (4.54) |
| Impact of deferred tax on account of the above adjustments | (6.41) | (17.40) | (17.45) |
| Net profit after tax as per Ind AS | 798.31 | 3,920.52 | 3,910.62 |

- Equity reconciliation between financial results reported previously under Indian GAAP and Ind AS for the year ended 31 March 2017:

(₹ in lakhs)

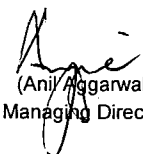
| Particulars | Standalone | Consolidated |
|--|-----------------------------|-----------------------------|
| | Year ended 31 March 2017 | Year ended 31 March 2017 |
| Equity as per previous Indian GAAP | 16,398.67 | 15,962.92 |
| Impact of fair valuation of derivative contracts | 22.80 | 22.80 |
| Amortisation of transaction cost as per Effective Interest Rate method | 7.41 | 7.42 |
| Others | 1.67 | 1.19 |
| Impact of deferred tax on account of the above adjustments | (10.80) | (10.20) |
| Equity as per Ind AS | 16,419.75 | 15,984.13 |

- The Company's business falls within a single business segment in terms of the Indian Accounting Standards 108, 'Operating Segments' and hence no additional disclosures are being furnished.
- Revenue from operations for the quarter ended 31 March 2018 and 31 December 2017 is net of Goods and Service Tax (GST) which is applicable from 1 July 2017, however, revenue for the periods upto 30 June 2017 is net of VAT but gross of excise duty. Accordingly, revenue for the quarter ended 31 March 2018 and for the year ended 31 March 2018 is not comparable with the previous periods presented in these standalone financial results. Similarly, revenue for the year ended 31 March 2018 is not comparable with the previous year presented in these consolidated financial results.



For and on behalf of the Board of Directors

Place: Faridabad
Date: 23 May 2018


(Anil Aggarwal)
Managing Director

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