



STL Global

STL Global Limited

**14th Annual Report
2010-2011**

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STL GLOBAL LIMITED

Unit No. 111, Block No. 1, 1st Floor, Tribhuwan Complex, Ishwar Nagar, New Delhi - 110065

BOARD OF DIRECTORS

Shri Jai Prakash Aggarwal, Chairman cum Managing Director
Shri Vishal Aggarwal, Joint Managing Director
Shri Sanjiv Kumar Aggarwal, Whole Time Director
Shri Sri Prakash Sharma, Nominee Director (IFCI)
Shri Chandra Prakash Srivastava, Independent Director
Shri Faquir Chand Gupta, Independent Director
Shri JagMohan Lal Agarwal, Independent Director

Company Secretary

Shri Sunil Kumar Nagar

Auditors

M/s M. M. Goyal & Co.
Chartered Accountants,
208, Allied House, 2nd Floor, Shahzada Bagh,
2, Old Rohtak Road, Inder Lok, Delhi-110035
Ph# 011- 23658434, 23659795

Bankers

Punjab National Bank, New Delhi
Oriental Bank of Commerce, New Delhi
UCO Bank, New Delhi
DBS Bank Limited, New Delhi
Allahabad Bank, New Delhi
Indusind Bank Limited, New Delhi
Barclays Bank, New Delhi

Registered office

Unit No. 111, Block No. 1, First Floor,
Tribhuwan Complex, Ishwar Nagar,
New Delhi - 110065
Ph# 011- 26935829
Fax# 011- 26935830

Corporate Office

Plot No.4, Sector-6,
Faridabad-121006,
Haryana, India
Ph# 0129- 4063301-04
Fax# 0129- 2301483

Registrar and Share Transfer Agent

Link Intime India Private Limited,
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (west)
Mumbai, Ph# 022- 25963838, 25960320
Fax# 022- 25946969

Shares Listed at

Bombay Stock Exchange Limited, Mumbai
National Stock Exchange of India Ltd, Mumbai

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NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

Notice is hereby given that the Fourteenth Annual General Meeting of the members of STL Global Limited will be held on Thursday the 29th day of September 2011 at Conference Room-3, First Floor, India Corporate Centre, J2/B1 Extension, Mohan Cooperative, Mathura Road, New Delhi-110044 at 10:00 A.M. to transact the following business:-

ORDINARY BUSINESS

- 1. To receive, consider, approve and adopt the audited Balance-Sheet as at 31st March, 2011 and the reports of the Directors and the Auditors and if thought fit to pass with or without modifications, the following as Ordinary Resolution:**

“RESOLVED THAT the Audited Balance Sheet of the Company as on 31st March, 2011 and Profit and Loss A/C for the year ending on that date, together with the Directors' and the Auditors Reports thereon be and are hereby received, approved and adopted.”

- 2. To appoint a Director in place of Mr. Vishal Aggarwal, who retires by rotation and being eligible offers himself for re-appointment and if thought fit to pass with or without modifications, the following as Ordinary Resolution:**

“RESOLVED THAT Mr. Vishal Aggarwal, whose period of office is liable to be determination by retirement of Directors by rotation and who has offered himself for re-appointment be and is hereby re-appointed as Director of the Company.”

- 3. To appoint a Director in place of Mr. Jagmohan Lal Agarwal, who retires by rotation and being eligible offers himself for re-appointment and if thought fit to pass with or without modifications, the following as Ordinary Resolution:**

“RESOLVED THAT Mr. Jagmohan Lal Agarwal, whose period of office is liable to be determination by retirement of Directors by rotation and who has offered himself for re-appointment be and is hereby re-appointed as Director of the Company.”

- 4. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration, and if thought fit to pass with or without modifications, the following as Ordinary Resolution:**

“RESOLVED THAT M/s M. M. Goyal & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors.”

By Order of the Board
For **STL GLOBAL LIMITED**
Sd/-

Date: 10th August, 2011
Place: Faridabad

J. P. Aggarwal
(Chairman cum Managing Director)

NOTES:-

1. The Explanatory Statement, pursuant to section 173(2) of the Companies Act, 1956, with regard to the above stated resolutions mentioned is enclosed.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. A blank form of proxy is enclosed which if used should be returned to the Company duly completed not later than Forty-Eight hour before the commencement of the meeting.



3. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their own copies to the meeting. We hope you will help us in our endeavor to control cost.
4. Members desirous of raising queries at the AGM are requested to send in their questions so as to reach the Company's Registered Office at least seven days in advance before the AGM so that the same can be adequately replied.
5. Members are requested to produce the enclosed Attendance Slip duly signed at the entrance to the Meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for identification.
6. No Gifts shall be distributed at the ensuing 14th Annual General Meeting of the Company.
7. Members are requested to notify the change of address, if any, immediately to the Company/Registrar quoting their folio numbers in respect of shares held in physical mode.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday the 23rd September 2011 to Thursday the 29th September 2011 (both days inclusive).
9. Non-Resident Indian Shareholders are requested to inform M/s. Link Intime India Private Limited, Mumbai immediately about:
 - (a) The change in the residential status on return to India for permanent settlement.
 - (b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.
10. **ADDITIONAL INFORMATION IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT ON DIRECTORS RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT OR SEEKING ELECTION AT THE ANNUAL GENERAL MEETING:**

Name of the Director	Mr. Vishal Aggarwal	Mr. Jagmohan Lal Agarwal
Date of birth	12-09-1971	10-12-1948
Nationality	Indian	Indian
Date of Appointment	September 29, 2007	May 11, 2009
Qualifications	B. Tech and M.B.A (USA)	B. Com
Expertise in specific functional areas	Mr. Vishal Aggarwal, aged about 40 years, has done B.Tech and M.B.A (USA). He has a vast and varied experience of over 17 years in the Textile Industry. At present he is Joint Managing Director of the Company and is very actively involved in day to day management and strategic planning of the company. He also Controls the Marketing Division including new product evaluation & Liaisoning with Customers. He is also a member in the Audit Committee, Share Transfer Committee, Monitoring Committee & General Committee of the Company.	Mr. Jagmohan Lal Agarwal is a commerce graduate and he has done his B.Com from Calcutta University in 1968. He is having a vast and varied experience of over 40 years in various fields. His expert & mature advice is very helpful to the board in future planning and policy formation. He is also a member in the Audit Committee, Remuneration Committee, Investor's Grievance Committee & Monitoring Committee of the Company.
Shareholding in STL Global	170000 (0.62%)	NIL
Directorship in other Companies and membership of Committees	Companies: 1 Committees: 4	Companies: 1 Committees: 4



EXPLANATORY STATEMENT

{Pursuant to provisions of section 173(2)}

As required under section 173(2) of the Companies Act, 1956. The following Explanatory Statement set out all material facts relating to the business mentioned under notice convening Fourteenth Annual General Meeting:

ORDINARY BUSINESS

Item No. 2

Mr. Vishal Aggarwal, aged about 40 years, is holding the position of Joint Managing Director of the Company since 2007. He has done his B. Tech and M.B.A from USA and he has a vast and varied experience of more than 17 years at top level in the Textile Industry. In STL Global Limited Mr. Vishal Aggarwal is very actively involved in day to day management and strategic planning of the Company. He also Controls the Marketing Division of the Company including New Product Evaluation & Liaisoning with customers & main suppliers.

Mr. Vishal Aggarwal retires by rotation at the forthcoming 14th Annual General Meeting and being eligible he offers himself to be re-appointed. The Board recommends his re-appointment. None of the directors except Mr. J. P. Aggarwal & Mr. Vishal Aggarwal is concerned or interested in this resolution.

Also pursuant to the provisions of the listing agreement, it is to be noted that Mr. Vishal Aggarwal is the son-in-law of Mr. J.P. Aggarwal and except this he does not have any inter-se relationship with any other director of the Company.

Item No. 3

Mr. Jagmohan Lal Agarwal, aged about 62 years is a commerce graduate and he has done his B.Com from Calcutta University in 1968. From last 40 years he is engaged in his own family business and also holds the position of director in M/s Zupitex India Private Limited presently. Mr. Agarwal is having a vast and varied experience in various fields and he has been actively involved in the policy formation and decision making for his own business. The board of directors of STL Global Limited is of the opinion that expert and mature advice of Mr. Agarwal is very helpful for the board in future planning and policy formation for the Company.

Mr. Jagmohan Lal Agarwal retires by rotation at the forthcoming 14th Annual General Meeting and being eligible he offers himself to be re-appointed as a director. Except Mr. Jagmohan Lal Agarwal none of the directors of the Company is concerned or interested in this resolution.

Also pursuant to the provisions of the listing agreement, it is to be noted that Mr. Jagmohan Lal Agarwal does not have any inter-se relationship with any of the directors of the Company.

By Order of the Board
For **STL GLOBAL LIMITED**
Sd/-

Date: 10th August, 2011
Place: Faridabad

J. P. Aggarwal
(Chairman cum Managing Director)



Directors' Report

To

The Members,

Your board of directors has pleasure in presenting the 14th Annual Report together with the Audited Statement of accounts of the Company for the financial year ended 31st March 2011.

The Financial Results of your company for the year ended on 31st March 2011 are as follows:

(Rs. in Crores)

Year Ended March 31st	2011	2010
Sales and Other Income	163.52	277.68
Expenditure	227.08	306.27
Profit/(Loss) (Before Depreciation and Tax)	(63.56)	(28.59)
Depreciation	11.76	8.86
Profit/(Loss) before Tax	(75.32)	(37.45)
Provision for Tax	0.00	0.01
Provision for Deferred Tax	(22.83)	(9.77)
Provision for Fringe Benefit Tax	0.00	0.00
Profit/(Loss) After Tax	(52.49)	(27.69)

Performance of your Company

The company has been facing adverse factors from previous two-three years and the last financial year was not an exception as the company continued to face the adverse factors like lesser demand, suspension of production activities due to shifting of plant, closure of 'Woven Process House' & 'Readymade Garments' divisions and comparatively lesser recovery in the Indian textile industry against significant revivals in the world economy. These adverse factors clubbed with huge burden of fixed overheads especially bank interest, depreciation & electricity etc. have forced the Company to incur losses in the last financial year also. There has been a considerable downfall in the 'Sales & Other Income' also during the last financial year.

As there were continuous losses in the Company due to adverse factors, the board of directors decided to make a reference to the Corporate Debt Restructuring (CDR) Cell for approving a Restructuring Package for the Company and Corporate Debt Restructuring (CDR) Cell has already approved the Restructuring Package to the Company vide LOA No. CDR(JCP)No.7626/2010-11 dated 24th February 2011. In terms of the restructuring package approved by CDR Cell the Company has to dispose off the land and building including plant & machinery of Unit No.2 of the Company situated at Plot No. 4, Sector-6, Faridabad, Haryana and the proceeds shall be used for repayment of Term Loans of the Banks and Financial Institutions. Hence during the period under review there were financial pressures on the Company which have badly affected the working of the Company.

Results of the Company for the last financial year are as follows; total income for the year ended 31st March, 2011 has been reduced to Rs. 163.52 Crores as compared to previous years' Rs. 277.68 Crores, hence there was a decline of approx. 41.11% and this was because of complete closure of the Woven Process House division. The Operating Loss before tax was increased to Rs. 75.32 Crores during the last year and Provision for taxation was Rs. (22.83) Crores during the year. The Net Loss for the year was Rs. 52.49 Crores against a Net Loss of Rs. 27.69 Crores in the previous financial year.



Dividend

As the Company has incurred heavy losses in the last financial year due to adverse factors as mentioned above, and there were no revenues from the IT Park Project also, hence the board of directors does not recommend any dividend for the financial year ended on 31st March 2011.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

At present the Company is mainly engaged in the business of (i) Knitting of Fabric and (ii) Processing & Dying of Knitted Fabric at its new plant situated at Plot No.207, 208, Sector-58 Faridabad, Haryana and as you are already aware that we are having a collaboration agreement with M/s RPS Infrastructure Limited for development of company's land situated at 12/6, Mile Stones, Mathura Road, Sarai Khawaja, Faridabad, Haryana-121003 into an IT Park. During the last financial year also there were lesser recoveries in the real estate sector and it was lacking good response from investors and because of this RPS Infrastructure was not able to start the construction activities during last year also. Bookings in the IT Park project were open throughout the year; however there was lack of considerable response from the investors. Hence till now the Company has not yet started receiving revenues from the IT Park project as well, which in turn has badly affected the financial position of the Company. However the construction activities have now started at the IT Park site and with start of Delhi-Badarpur flyover, the management is hopeful that the IT Park project can find its right path in the days to come. With the initiation of the project as per the collaborative agreement with M/s RPS Infrastructure Limited, the income will start accruing to the Company, and in order to include that income into the operational income of the business, the company has inserted a new clause No.2 after the existing clause no.1 in the main objects contained in the Memorandum of Association of the Company and a special resolution for the same has already been passed by way of Postal Ballot as per the Result of Postal Ballot declared on 12th July 2011 at the registered office of the Company.

In these adverse conditions the Management of your Company presents its analysis over the Company's performance and results of operations during the financial year under review and its outlook for the future. During the financial year 2010-11 due to lack of demand, suspension of production activities for shifting of plant and closure of two main divisions, there was huge shortfall in Company's total turnover & income. This outlook of the management is based on the assessment of current business environment and the assumptions & expectations of future events, so it may vary due to future economic and other developments in India and abroad. The actual results may differ materially from those expressed in this statement.

INDUSTRY STRUCTURE AND DEVELOPMENT OUTLOOK

Regardless of new risks, the global economic recovery is gaining strength and the IMF has projected a 4.5% world growth in 2011 and 2012. While growth in emerging economies remain strong, that in the US and European region is slowly gaining momentum. Some of economies of the developed nations are still a concern with the Euro zone being the most vulnerable as rating agencies continue to downgrade the sovereign rating of many of economies in this region. The natural disaster in Japan, sharp increase in oil prices consequent to the turmoil in the Middle East and North Africa is fuelling uncertainty to the pace of global recovery. Globally, elevated food and commodity prices accompanied by spike in oil prices have engendered inflation concerns.

The Indian Economy registered improved growth and was amongst the better performers amid emerging market economies. Central Statistical Organization's recent estimated Indian GDP growth rate of 8.6% for 2010-11 is consistent with the RBI's projections for the same period. While the area sown under the Rabi crop is higher than last year which promises well for agricultural production, the index of industrial production continues to be unpredictable. The other indicators such as latest Purchasing Managers' Index, direct and indirect tax collections, merchandise exports and bank credit suggest that the growth momentum persists. However, continuing uncertainty about energy and commodity prices may vitiate the investment climate, posing a threat to the current growth trajectory. Inflation remains a challenge for the Indian Economy and the key risks are tighter monetary conditions and rising prices eating into the



consumer's disposable income.

Textile industry is one of the largest and most important sectors in the Indian economy in terms of output, foreign exchange earnings and employment. India's Textile industry is one of the leading textile industries in the world. It contributes approximately 14% to India's industrial production, 4% to the GDP and 17% to the country's export earnings. It provides direct employment to over 35 million people and is the second largest provider of employment after the agricultural sector. The industry is expected to grow steadily from its present US\$ 70 billion to US\$ 110 billion by 2015. Textile products including wearing apparel have registered a growth of 4.3% during April-January 2010-11, as per the Index of Industrial Production (IIP) data released by Central Statistical Organization. Notwithstanding signs of recovery from the previous financial crisis, the textile and apparel industry went through a tough year struggling with the surging and fluctuating prices of raw materials. However, the Government is making efforts in boosting the textile industry through various initiatives and investments are increasing steadily. The Ministry of Textiles has sanctioned a total of US\$ 133 million under Technology Upgradation Fund Schemes (TUFS) during September 2010. The industry is expected to continue to grow at a significant rate in the future also, as the same is fuelled by a strong domestic consumption.

However the industry faces a particularly acute challenge as the price of its raw material, viz. cotton, has increased by more than 100 % in just last one year. The industry has not been able to take the advantage of heavy investments made in recent years because of lack of demand, particularly in the export market. The importing countries are still not fully out of the demand recession and the adverse rupee dollar parity does not encourage exports. Allowing the export of cotton has created an acute shortage of this commodity. This factor coupled with increased cost to an unprecedented level and partial restrictions on the export of yarn up to March, 2011 have all added to the problems of textile industry. Hence unless the export policies get stabilized on a sound footing, it will be very difficult for the industry to improve significantly in the near future.

BUSINESS MODEL OUTLOOK AND REVIEW

The members are already aware that our Company's outlook to become a fully vertically integrated textile company could not be fulfilled due to adverse factors, non-viability and closure of various divisions like "Readymade Garments" and 'Woven Process House'. The halts in production activities due to shifting of plant and closure of divisions have lead to shortfall in the total turnover and the company has incurred losses for the third year in a row. However the Management is hopeful that with the start of production activities in the new plant situated at Plot No.207, 208, Sector-58, Faridabad, Haryana the Company will be able to find some momentum in terms of production & turnover in the days to come. Management of the Company has used expert financial tools and strategies to handle the adverse conditions in order to minimize the bad affects on the performance of Company.

From the last two-three financial years the company has been facing adverse factors and there were continuous losses in the Company, hence the board of directors decided to make a reference to the Corporate Debt Restructuring (CDR) Cell for approving a Restructuring Package for the Company in its meeting held on 13th November 2010. And the Corporate Debt Restructuring (CDR) Cell has already approved the Restructuring Package to the Company vide LOA No. CDR(JCP) No.7626/2010-11 dated 24th February 2011. The following Seven Banks & Financial Institutions have given their consent to restructure the credit facilities as per the Restructuring Package approved by CDR Cell:

1. Punjab National Bank
2. Oriental Bank of Commerce
3. UCO Bank
4. Allahabad Bank
5. Indusind Bank Limited
6. IFCI Limited
7. ICICI Bank Limited

The company has already made settlement of dues with Barclays Bank, and the loan of Syndicate bank



shall be repaid by M/s RPS Infrastructure Limited. The DBS Bank, which is not a part in the CDR has initiated legal action and filed a case in the Debt Recovery Tribunal (DRT) against the Company for recovery of dues. The matter is under consideration with DRT at present.

In terms of the restructuring package approved by CDR cell the Company has to dispose off the land and building including plant & machinery of Unit No.2 of the Company situated at Plot No. 4, Sector-6, Faridabad, Haryana. The production activities have already stopped at the above plant due to non-viability. The remaining production activities i.e. (i) Knitting of Fabric and (ii) Processing & Dying of Knitted Fabric are already shifted to the company's new plant situated at Plot No.207, 208, Sector-58, Faridabad, Haryana. The Company had to dispose of the plant due to adverse conditions and as per CDR norms and the proceeds shall be used for repayment of Term Loans of the Banks and Financial Institutions which ultimately lead to lesser burden of Interest on the Company.

As the shareholders already know that the resolution under Section 293(1)(a) of the Companies Act, 1956, has already been passed by way of Postal Ballot for the sale & disposal of land and building including plant & machinery of Unit No.2 of the Company situated at Plot No. 4, Sector-6, Faridabad, Haryana as per the Result of Postal Ballot declared on 12th July 2011 at the registered office of the Company.

So it is very much clear from the above details that, at present the management of the Company is under tremendous pressure as far as the financial position of the Company is concerned. The Management of the Company is using its expert financial tools and policies and is hopeful that the Company will be able to fulfill its obligations as stipulated in the Restructuring Package approved by the CDR Cell.

PROGRESS OF RE-LOCATION OF PLANT

The Company has fully shifted its two divisions i.e. (i) Knitting of Fabric and (ii) Processing & Dying of Knitted Fabric to the Company's new plant located at plot no. 207, 208, Sector-58, Faridabad, Haryana and the same is operational.

STATUS OF GARMENTS & WOVEN PROCESS HOUSE

The operations in the "Readymade Garments" division and "Woven Process House" division have been fully closed due to non-viability and the management is in the process of disposing the residual plant & machinery of these divisions in order to vacate the land & building situated at Plot No.4, Sector-6, Faridabad, Haryana.

OPPORTUNITIES AND THREATS (SWOT ANALYSIS)

The Company's main strength is the vast & varied experience of its promoters in the textile business; however its objective to become vertically integrated textile company could not be fulfilled due to adverse factors and closure of 'Woven Process House' and 'Readymade Garments' divisions. With start of production activities at the new plant and approval of restructuring package by the CDR Cell the company would be able to get some momentum in terms of turnover & income; however meeting the Company's commitments towards its bankers as stipulated in the CDR package within the given time-frame will be a big challenge to the management, as the same would highly depend on receipt of revenues from the IT Park project in the coming years.

In view of the rising income levels and resultant higher demand, the industry has an opportunity for growth which has to be fully exploited in both domestic as well as export markets. Once the global demand recession is over, opportunities for exports should increase and to take full advantage of the same, priority will have to be given to improve the quality. As the textile up-gradation fund has been restarted by the Government, it would definitely provide support to the industry to gain fully from the opportunity for expansion and continued & profitable growth. However in view of the rising input costs including those of raw materials, it will be difficult to compete with those countries, where the manufacturing costs can be controlled with the support of their Governments.

Regular availability of cotton at reasonable prices particularly in view of the increasing global demand for



cotton may prove a hindrance in continuing the uninterrupted manufacturing operations. Coupled with this, availability of skilled labour in the states where the Textile industry is located has become very difficult. Also the strength of migrating textile workers from different states has been reduced resulting in this sharp shortage, which is a matter of concern. Besides, the increased incentives being provided by our competitors like China, Bangladesh, Vietnam etc. are enabling the manufacturers in these countries to get ahead of us in various export markets.

Segment Reporting

Business of the Company is entirely integrated and there are no separate segments within the company as defined by Accounting Standard-17 (segmental reporting) by the ICAI. Hence segment reporting is Not Applicable to your Company.

Fixed Deposit

During the last financial year the Company has not accepted any fixed deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit, rules) 1975.

Listing and ISIN

At present the Equity Shares of the Company are listed at Bombay Stock Exchange Limited (BSE), Mumbai and National Stock Exchange of India Limited (NSE), Mumbai. The Annual Listing Fees for the year 2011-2012 has already been paid by the Company to the stock exchanges.

The Company's shares are compulsorily traded in De-Materialized form.

The ISIN for fully paid-up equity shares is **INE353H01010**

Share Capital

There was no change in the Authorized Share Capital of the Company during last financial year and it remains unchanged at Rs.42,00,00,000/- (Forty Two Crores only) divided into 4,20,00,000 (Four Crores Twenty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each.

The paid-up share capital of the Company as on 31st March 2011 was also remains unchanged at Rs. 27,22,17,975/- consisting of 26990915 fully paid up Equity shares of Rs.10/- each and 461765 partly paid up Equity Shares of Rs.5/- each.

Address of corporate office

At present the Corporate Office of the company is situated at Plot No.4, Sector-6, Faridabad, Haryana-121006 (India). However in accordance with CDR package the land & building situated at above address is proposed to be sold as already mentioned above and the Corporate Office is proposed to be shifted to Plot No.207, 208, Sector-58 Faridabad, Haryana (India). Shareholders are requested to please take a note of the above.

Corporate Governance

Corporate Governance is the combination of voluntary practices, disclosures and compliance with laws as may be applicable to the company leading to effective control and management of a Company. Your Company believes that Corporate Governance balances the interest of all stakeholders of a company and satisfies the tests of accountability, transparency and fair play.

The Company's Philosophy on Corporate Governance is to operate for the benefit of all its stakeholders, including shareholders, customers, lenders, creditors, employees, government authorities and the community and to conduct its business in a transparent, ethical and fair manner. Your Board of Directors considers itself the trustee of Company's shareholders and always aims at maximizing the shareholders' value and protecting the interest of all other stakeholders.

The report on Corporate Governance is annexed and forms part of this Directors' Report (Annexure - III).



The Company has been continuously complying with the requirements of Corporate Governance as stipulated under Clause-49 of the Equity Listing Agreement with stock exchanges. The copy of certificate obtained from Statutory Auditor's of the Company dated 28.05.2011 confirming the compliance of the conditions of Corporate Governance by the Company is also attached with this report.

Formation of various Committees

Details regarding various committees constituted by the Board of directors are given in the Corporate Governance report annexed herewith and forms part of this director's report.

Directors

The total strength of the Board of directors remains unchanged at seven directors out of which three are executive directors and four are non-executive & independent directors. During the last financial year also there was no change in the board. In the last Annual General Meeting Company has appointed Mr. J. P. Aggarwal and Mr. S.K. Aggarwal as Chairman cum Managing Director and Whole Time Director of the Company respectively subject to the approval of central government, accordingly we applied for the same and approval of Central Government has already been obtained as per approval letter dated 14th March 2011.

Retirement by rotation

There are six rotational directors in the company at present; hence in accordance with the provisions of Companies Act, 1956 and Articles of Association of the Company two directors shall retire by rotation in the forthcoming 14th AGM. So Mr. Vishal Aggarwal and Mr. Jagmohan Lal Agarwal, directors of the Company shall retire by rotation at the forthcoming 14th Annual General Meeting and being eligible, they have offered themselves for re-appointment. A brief resume of both the above directors, containing their age, qualifications and experience is already given in the annexure to the notice convening forthcoming 14th Annual General Meeting.

The resolutions contained at item no. 2 and 3 of the notice are being proposed for their re-appointment as directors at the forthcoming Annual General Meeting of the Company. The board recommends their re-appointment.

Director's Responsibility Statement

Pursuant to the provisions of Section - 217(2AA) of the Companies Act, 1956 and on the basis of information and advice received, the board of directors hereby state and confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
2. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March 2011 and of the profit or loss of the company for the year ended on that date.
3. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
4. that the directors have prepared the annual accounts on a Going Concern Basis.

Subsidiary Companies

STL Global Limited does not have any subsidiary companies at present.

Auditors and Auditor's Report

M/s M. M. Goyal & Co., Chartered Accountants, New Delhi, the Statutory Auditors of Company shall retire



at the forthcoming 14th Annual General Meeting and are eligible for re-appointment. The Audit Committee and Board of Directors, recommend their appointment as statutory auditors of the Company in the forthcoming annual general meeting. The company had already received a confirmation from the statutory auditors that their appointment if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

Notes to the accounts referred to in the auditor's report are self explanatory and therefore do not call for any further explanations as required under section 217(3) of the Companies Act, 1956.

“Group” for inter-se transfer of shares

In accordance with the provisions of clause 3(e) of the Securities and Exchange Board of India (substantial acquisition of shares and takeovers) regulation, 1997, the persons constituting group (within the meaning as defined in the Monopolies and Restrictive Trade Practices Act, 1969) for the purpose of availing exemption from the applicability of the provisions of regulations 10 to 12 of the aforesaid SEBI regulations are given at Annexure-I attached herewith and the said Annexure-I forms part of this Director's Report.

Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and expenditure

Information on Conservation of energy as required to be disclosed under section 217(1)(e) of the Companies Act 1956, read with Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988, is provided as under:

A. CONSERVATION OF ENERGY

During last financial year also the Company has made continuous efforts in order to ensure optimum utilization of fuel and electricity.

a. Energy conservation measures taken:

The Company has been continuously taking its best efforts for energy conservation; such as (i) energy saving tubes and other 'less electricity consuming' electronic devices are installed in the Plant in a phased manner for this purpose. (ii) Department wise monitoring of energy consumption is regularly conducted in order to save power cost etc.

b. The relevant data in respect of energy consumption is given below:

FORM-A

(a) Power and Fuel Consumption	Current Year 2010-2011	Previous Year 2009-2010
Electricity Purchased Units (Nos)	6869898	8479947
Total Cost (Rs.)	34924621	35191780
Rate per Unit (Rs.)	5.08	4.15
(b) Own Generation- (Through D.G. Set)		
Generated Units (Nos)	2470371	2508456
Diesel Cost (Rs.)	24069619	23077804
Diesel Cost Per Unit (Rs.)	9.74	9.20



B. PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT

The Company is working with best available technology in all of its production activities viz. knitting, dyeing etc. Your Company also has an independent Research & Development department for its production divisions, which regularly provide suggestions for minimizing the cost of production and improving quality of products. The present technology is also being updated from time to time as and when required.

The Company is also taking full advantage of implementation of information technology through the plant-wide network for quicker decision making and faster preventive actions.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars regarding foreign exchange earnings and expenditure are annexed hereto as annexure - II and forms part of this Director's Report.

Cautionary Statement

This director's report contains some forward looking statements which may be identified by use of words like expect, anticipate, believes, intends, projects, plans or other words of similar meaning. These forward looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. Company assumes no responsibility to publicly amend, modify or revise any of the forward looking statement on the basis of any subsequent developments, information or events.

Management is also of the opinion that quarter to quarter performance comparison would not be an ideal way of reviewing the Company's performance in view of the changing transaction dynamics which might result into some of the key assignments getting stretched and the incidence of the revenues may either pass over to next quarter or pushed on to a longer time scale than anticipated.

Safety, Health and Environment

Safety

Your Company believes that safety is an essential part in the efficient business management; hence it has benchmarked its processes to the highest standards of safety. Prompt and regular efforts with respect to safety, training and education are your company's commitment to the safety. The employees working on the production floor are required to undergo a mandatory training in their respective department. Also various other efforts are being taken continuously for improving safety at the plant and these efforts include continuous safety trainings with internal & external faculties, on-the-job training for technicians and safety awareness among employees etc.

Health

The Company has built sufficient infrastructure in order to provide necessary medical care to the employees working at all levels. The medical checkups are also done before recruitment of any new person. A first-aid box is always available in all the departments and normal medical checkups are regularly conducted. The employees are also imparted with health education from time to time.

Environment

Your company and its management are fully committed to provide a safe and healthy working environment inside the Company as well outside. The Company regularly complies with all rules & regulations regarding protection of the environment of its outside surrounding area. Your Company is also committed to prevent wasteful use of natural resources and to minimize the dangerous impacts of any of its activities



e.g. production, development, use & disposal of products and other services on the environment. The Company always ensures that highest standards of environmental management are being maintained.

SHE Committee

The Company has already constituted a SHE Committee (Safety, Health & Environment Committee) that comprises of members from the senior management of Company. The SHE Committee is mainly responsible for ensuring safe and healthy environment within the Company and its neighbouring area, and also for complying with all applicable regulatory requirements in this regard.

The Company is also fully committed to make its contribution in the Social and Economic Development of the community located in vicinity of its operations and to provide assistance for improving the quality of their life.

Personnel

The board of directors once again sincerely acknowledges the devotion of all employees of the Company, who have contributed in the performance & development of the Company. The Company's relations with employees are always cordial, the employees are regularly provided with internal & external trainings and more responsibility is being entrusted to them thereby involving them in day-to-day decision making. The true spirit of trust, commitment, dignity, transparency and opportunity to explore & achieve their dreams gives the employees an encouragement and yearning to perform better.

The number of employees as on 31st March 2011 was 255.

The information as per section 217(2A) of the Companies act, 1956 read with Companies (particulars of employees) rules 1975 is NOT APPLICABLE to your Company.

Acknowledgement

The board of directors once again takes this opportunity to first of all thank all the employees of the Company for their hard work, dedication, co-operation and support rendered towards the Company.

The board of directors also wants to express its gratitude towards the Company's Bankers, Financial Institutions, Central and State Government Authorities & Officials, Customers, Vendors, Traders, Solicitors, Advisors and to our well wishers for their support and co-operation during the period under review.

And also to you, our dear shareholders, we are extremely grateful for the continuous support and confidence.

For and on behalf of the Board of Directors

Sd/-

J. P. Aggarwal
(Chairman cum Managing Director)

Sd/-

Vishal Aggarwal
(Joint Managing Director)

Date: 10th August 2011
Place: Faridabad



ANNEXURES TO DIRECTOR'S REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2011

Annexure - I

Following is the list of persons constituting "Group" (within the meaning as defined in the Monopolies and Restrictive Trade Practices Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulations 10 to 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) SAST Regulations, 1997 as provided in Clause 3 (e) of the said Regulations:

S. No.	Particulars	S. No.	Particulars
01	M/s Target Fashions Limited	15	Mrs. Jyoti Aggarwal
02	M/s Reckon Industries Limited	16	Mrs. Savitri Aggarwal
03	M/s Demaco Polymers Ltd	17	M/s K. N. Aggarwal (HUF)
04	M/s S. D. Chem Pvt. Ltd	18	Mr. Vishal Aggarwal
05	M/s Ruchi India Limited	19	Mrs. Sangeeta Aggarwal
06	M/s Reckon Pharmachem Pvt. Ltd	20	Mrs. Rachna Jain
07	M/s Shyam Tex Exports Limited	21	Mr. Sharad Jain
08	Mr. Jai Prakash Aggarwal	22	Mrs. Bhawna Goenka
09	Mrs. Sumitra Aggarwal	23	Mr. Navneet Goenka
10	Mr. Sandeep Aggarwal	24	Mr. Vinod Aggarwal
11	Mrs. Viniti Aggarwal	25	Mr. Vikas Aggarwal
12	Mr. Naresh Aggarwal	26	Mrs. Rita Aggarwal
13	Mrs. Sunita Aggarwal	27	Mrs. Payal Aggarwal
14	Mr. Vimal Aggarwal		

Annexure-II

Foreign Exchange Earnings and Outgo

(In Rupees)

Particulars	Current Year	Previous Year
(I) Foreign exchange earned (Including export of goods on FOB basis)	Nil	2,59,18,986
(II) Foreign exchange used	13,86,416	39,51,967

Annexure-III

CORPORATE GOVERNANCE REPORT

INTRODUCTION

Corporate Governance is the mechanism by which the values, principles, policies and procedures of a Company are being manifested. The core value of corporate governance lies in the principles of honesty, integrity, transparency, fairness, quality and accountability. The effective Corporate Governance is very much essential for the vibrant and resilient capital markets and the investor protection ultimately rests on this foundation. In the last few years, almost every country has formulated & adopted a set of Corporate Governance Codes, spelt out best practices and has also sought to introduce appropriate board structures.

The details of compliances of the provisions of clause 49 of Listing Agreement by STL Global Limited, pertaining to good Corporate Governance are enumerated hereunder;

Company's Philosophy on Corporate Governance

The Company is fully committed to adopt best Corporate Governance practices & procedures in all its

activities, policies and actions. Your Company's Philosophy on Corporate Governance is to operate for the benefit of all its stakeholders, and to conduct its business in a transparent, ethical and fair manner. Your Company believes in transparency, accountability, empowerment, motivation, respect for law, fair business and good corporate practices. These principles have been continuously followed by the Company since its inception. STL Global Limited also believes that adhering to good corporate governance norms will ultimately leads to generation of goodwill for Company, earning respect from society, bringing about a consistent sustainable growth and also generating competitive returns for the investors. Board of Directors of the Company is committed to develop an environment of fairness, equity and transparency in all its activities with the objective of securing long-term shareholder value, while at the same time respecting the rights of all stakeholders.

COMPLIANCE WITH CLAUSE 49 OF THE LISTING AGREEMENT

As you already aware that at present the shares of your company are listed at Bombay Stock Exchange Limited and National Stock Exchange of India Limited, Mumbai. The Company is regularly complying with the requirements of Clause-49 of the Listing Agreement with these Stock Exchanges since the first day of listing. The company has also obtained a Certificate from its statutory auditors regarding compliance of the conditions of Corporate Governance as stipulated in Clause-49 of the Listing Agreement and the same is also attached herewith and forms part of this director's report.

Board of Directors

Composition and Category

The board of directors of the Company consists of professional independent directors drawn from diverse fields for advising the board in respective areas. Majority of the board consists of independent directors at present. Day-to-day affairs & activities of the Company are normally conducted by Chairman cum Managing Director with the help of executive directors, subject to the supervision and control of the board.

As on 31st March 2011, the Board of Directors consisted of seven directors out of which three were executive directors and four were non-executive & independent directors. The Board takes all key decisions only after detailed discussions and deliberations in its meetings. The board members possess adequate experience, ability and expertise, which are necessary to manage the affairs of the Company in a most efficient manner. The Independent Directors do not have any material or pecuniary relationship or transactions with the Company, its promoters, other directors or management.

In the meetings of board, the board members are provided with all the relevant information on crucial matters affecting the working of Company as well as matters requiring deliberations at the highest level. The Board acts with full autonomy and independence in exercising the decision making process and discharging its fiduciary responsibilities. The size and composition of the board of directors completely confirms to the requirements of Corporate Governance Norms as stipulated under the provisions of clause 49 of the equity listing agreement.

Meetings of the Board of Directors are scheduled well in advance and are generally held at the Company's corporate office in Faridabad, Haryana. Notices and agenda for board meetings are sent well in advance to all the directors of the Company along with relevant information.

During the last financial year, Four Meetings of the board of directors were held viz. 28th May 2010, 12th August 2010, 13th November 2010 and 12th February 2011.

The details of attendance of all the directors at the Board Meetings, Last Annual General Meeting, number of shares held, number of other directorships and committee memberships etc. are as under:



As at 31st March 2011

Name of Director and business relationship	Position	No. of Shares held in the company	No. of other Directorships	No. of other Committee memberships held #	
				Chairman	Member
Mr. Jai Prakash Aggarwal (Chairman cum Managing Director)	Promoter/ Executive Director	2869050	5	2	0
Mr. Sanjiv Kumar Aggarwal (Whole Time Director)	Executive Director	NIL	0	0	3
Mr. Vishal Aggarwal (Joint Managing Director)	Promoter/ Executive Director	170000	1	0	4
Mr. C. P. Srivastava (Director)	Independent & Non Executive Director	NIL	0	1	0
Mr. Sri Prakash Sharma (Nominee Director IFCI)	Independent & Nominee Director	NIL	1	0	0
Mr. Faquir Chand Gupta (Director)	Independent & Non Executive Director	NIL	1	3	1
Mr. Jagmohan Lal Agarwal (Director)	Independent & Non Executive Director	NIL	1	0	4

Details relate to all the six committees of the Board i.e. Audit Committee, Remuneration Committee, Share Transfer Committee, Investor's grievance committee, Monitoring Committee and General Committee.

Particulars of Directors attendance are given below:

Name of the Director and Business Relationship	No. of Board Meetings attended during the year	Attendance at Thirteenth Annual General Meeting held on September 30 th 2010
Mr. Jai Prakash Aggarwal (Chairman cum Managing Director)	3	Absent
Mr. Sanjiv Kumar Aggarwal (Whole Time Director)	4	Present
Mr. Vishal Aggarwal (Joint Managing Director)	4	Present
Mr. Sri Prakash Sharma (Nominee Director)	3	Absent
Mr. C. P. Srivastava (Independent Director)	1	Absent
Mr. Faquir Chand Gupta (Independent Director)	4	Present
Mr. Jagmohan Lal Agarwal (Independent Director)	1	Absent

Notes on Directors appointment/ re-appointment

Mr. Vishal Aggarwal and Mr. Jagmohan Lal Agarwal, Directors of the Company are retiring by rotation at the forthcoming 14th Annual General Meeting and being eligible, they offer themselves for re-appointment. Details regarding age, qualification & experience etc. of Mr. Vishal Aggarwal and Mr. Jagmohan Lal Agarwal, are already given in the annexure forming part of the notice convening 14th Annual General Meeting of the Company.

BOARD COMMITTEES

A. Audit Committee

Broad terms of reference

As the shareholders already aware that Audit Committee assists the Board of Directors in matters relating

to overview of Company's financial reporting process and disclosure of financial information in order to ensure that the financial statements are correct, sufficient and credible. It reviews the annual and quarterly financial statements before submission to the board; it also reviews the Company's financial risk and management policies and the adequacy of internal control systems with the management and statutory auditors. The Audit Committee acts as a link between Company's Management, Statutory Auditors and the Board of Directors and it also has full access to the financial information of the Company.

The role and terms of reference of the Audit Committee covers the areas as mentioned under clause-49 of the Listing Agreement and section 292A of the Companies Act, 1956 besides other terms as may be referred by the board of directors. The main powers & functions of audit committee include the following:

POWERS

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice;
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. To have full access to information contained in the records of the company and external professional advice, if necessary.

FUNCTIONS

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the fixation of audit fee and for payment for any other services.
3. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e., transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.
4. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
5. Reviewing the half-yearly financial statements before submission to the Board.
6. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.



7. Discussion with internal auditors any significant findings and follow up thereon.
8. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
9. Discussion with External Auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
10. Reviewing the Company's financial and risk management policies.
11. To look into reasons for substantial defaults in the payment of the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. Any other functions that may be assigned by the Board to the Audit Committee from time to time.

The Audit Committee also reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by the management if any;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors if any;
4. Internal audit reports relating to internal control weaknesses if any; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Composition and attendance during the year ended 31st March 2011

Five meetings of Audit Committee were held during the year 2010-11 on the following dates:

1. 30th April 2010
2. 20th May 2010
3. 04th August 2010
4. 30th October 2010
5. 02nd February 2011

The Audit Committee of the Company comprises of three directors i.e. Sh. Faquir Chand Gupta (Chairman), Sh. Jagmohan Lal Agarwal (Member) and Sh. Vishal Aggarwal (Member). Majority of the members of audit committee consists of independent directors. All the committee members are financial literate and Chairman Sh. Faquir Chand Gupta is having a rich experience and expertise in the field of accounting & financial management. Following are the details of attendance of audit committee meetings during the year ended on 31st March 2011:

Audit Committee

S. No.	Name of the Member	Category	No. of Meetings Attended
1.	Sh. Faquir Chand Gupta	Chairman	5
2.	Sh. Jagmohan Lal Agarwal	Member	3
3.	Sh. Vishal Aggarwal	Member	4

Statutory Auditors and CFO of the Company are permanent invitees to the Audit Committee Meetings.

The Company Secretary of the company acts as the Secretary to the Committee.

Minutes of the Audit Committee Meetings are noted by the Board of Directors in the subsequent Board Meetings.

B. Remuneration Committee

Remuneration Committee of the Company consists of Sh. C. P. Srivastava, Sh. F. C. Gupta and Sh.



Jagmohan Lal Agarwal, all being Independent and Non Executive Directors. Terms of reference of the 'Remuneration Committee' includes review, recommendation & advice to the Board of Directors on payment of remuneration to Executive and Non-executive Directors within the overall ceilings fixed under the provisions of Companies Act, 1956. The terms of reference of the Committee are also in accordance with the provisions of the Companies Act, 1956 and clause-49 of the Listing Agreement with Stock Exchanges.

Remuneration Policy- For Executive Directors

The Company is paying remuneration to Executive Directors in terms of the resolutions passed by members at the General Meetings. Earlier the profits of the company were adequate and total remuneration of all executive directors of the Company was well within the ceilings as provided under the provisions of Companies Act, 1956. However from the last two-three financial years, Company is incurring losses and there has been inadequacy of profits, hence remuneration is being paid to the executive directors in accordance with the provisions of Schedule - XIII of the Companies Act, 1956.

Also in the last Annual General Meeting the Company has appointed Mr. J. P. Aggarwal and Mr. S.K. Aggarwal as Chairman cum managing Director and Whole Time Director of the Company respectively subject to the approval of central government, accordingly we applied for the same and in response to our application the Company has already received the approval of Central Government on 14th March 2011 for appointment of Mr. J.P. Aggarwal as Chairman Cum Managing Director and Mr. S.K. Aggarwal as Whole Time Director of the Company for a period of Five Years. However, the Central Government has approved the payment of remuneration to above executive directors for a period of Three Years only from the date of their appointment.

The details of remuneration of executive directors are as under:

1. Mr. Jai Prakash Aggarwal- Chairman cum Managing Director

A) Appointment: For a period of 5 years effective from 28/02/2010 to 27/02/2015

B) Remuneration: with effect from: 28/02/2010 to 27/02/2013;

1. Basic Salary : **Rs. 45000/-** Per Month
2. House Rent Allowance : **Rs. 18750/-** Per Month
3. Conveyance Allowance : **Rs. 11250/-** Per Month
4. Contribution to provident fund and superannuation funds as per the rules of the company.
5. Medical benefits for self and family provided that the total expenses on this account should not exceed Rs. 45000/- per year being one month basic salary.
6. Leave and Leave travel allowance as per the prevailing policy of the Company.

2. Mr. Vishal Aggarwal, Joint Managing Director

A) Appointment : For a period of 5 years effective from 01/10/2007 to 30/09/2012

B) Remuneration : w.e.f. 01/04/2008 to 30/09/2012

1. Basic Salary : **Rs. 50000/-** Per Month
2. Contribution to provident fund and superannuation funds as per the rules of the company.
3. Medical benefits for self and family provided that the total expenses on this account should not exceed Rs. 50000/- per year being one month basic salary.



4. Leave and Leave travel allowance as per the prevailing policy of the Company.

3. Mr. Sanjiv Kumar Aggarwal, Whole Time Director

A) Appointment : For a period of 5 years effective from 01/10/2010 to 30/09/2015

B) Remuneration : From 01/10/2010 to 30/09/2013

1. Basic Salary : **Rs. 30000/- Per Month**
2. House Rent Allowance : **Rs. 12500/- Per Month**
3. Conveyance Allowance : **Rs. 7500/- Per Month**
4. Contribution to provident fund and superannuation funds as per the rules of the company.
5. Medical benefits for self and family provided that the total expenses on this account should not exceed Rs. 30000/- per year being one month basic salary.
6. Leave and Leave travel allowance as per the prevailing policy of the Company.

Remuneration Policy- For Non- Executive Directors

Pursuant to the notification from Ministry of Finance, Department of Company affairs dated 24th July 2003 a Sitting Fees of Rs. 2000/- (Rupees Two Thousand only) per meeting was paid to the Non-Executive Directors for each meeting of the Board and Committees attended by them.

Composition and attendance in Remuneration Committee during the year ended 31st March 2011

S. No.	Name of the Member	Category	No. of Meetings Attended
1.	Sh. C. P. Srivastava	Chairman	0
2.	Sh. F.C. Gupta	Member	2
3.	Sh. Jagmohan Lal Agarwal	Member	2

Two Meetings of the Remuneration Committee were held during the financial year under review i.e. on 31st July, 2010 and 31st January 2011 respectively.

Remuneration to Non-Executive Directors

During the financial year 2010-2011, only sitting fees for attending board or committee meetings was paid to the non-executive directors and the details are as follows:

Non-Executive Directors

(Amount in Rupees)

Name	Sitting Fees paid during FY 2010-11		TOTAL
	Board Meeting	Committee Meeting	
Sh. C. P. Srivastava	1	0	2000/-
Sh. F. C. Gupta	4	13	34000/-
Sh. Jagmohan Lal Agarwal	1	8	18000/-
Sh. S. P. Sharma	3	0	6000/-

*Apart from above a sitting fees of Rs. 2000/- was also paid to Mr. Subramanyam, IFCI observer for attending a meeting of the board held on 12.08.2010 in the absence of Mr. S.P. Sharma, Nominee Director, IFCI.

C. Shareholder Committees

As members already know, two shareholder committees are there in the Company viz. (i) Share Transfer Committee and (ii) Investor's Grievance Committee. Following are the details of these committees:

1.) Share Transfer Committee

S. No.	Name of the Member	Category	Designation
1.	Sh. J. P. Aggarwal	Chairman	Chairman cum Managing Director
2.	Sh. Vishal Aggarwal	Member	Joint Managing Director
3.	Sh. S. K. Aggarwal	Member	Whole Time Director

The main terms of reference of Share Transfer Committee cover the following matters:

- Transfer/Transmission of Shares;
- Issue of duplicate share certificates;
- Review of Shares dematerialized / rematerialized and other related matters;
- Performance appraisal of the Registrar and Transfer Agents of the company with regard to handling of Transfer Requests.
- Share Transfer Committee meets as and when required in the above matters.

2.) Investor's Grievance Committee

The Company also has an 'Investor's Grievance Committee' consisting of majority of Independent directors for monitoring and controlling the investor complaints redressal system of the Company. The Committee normally meets on quarterly basis in order to review and discuss on the investor complaints received and resolved during the preceding quarter. It also keeps an eye on the Registrar & Share Transfer Agent's approach towards resolving investor complaints.

During the last financial year following four meetings of the Investor's Grievance Committee were held:

- 20th May 2010
- 04th August 2010
- 30th October 2010
- 02nd February 2011

S. No.	Name of the Member	Category	Designation	No. of Meetings Attended
1.	Sh. F.C. Gupta	Chairman	Independent Director	4
2.	Sh. Jagmohan Lal Agarwal	Member	Independent Director	2
3.	Sh. S. K. Aggarwal	Member	Whole Time Director	4

Duties and terms of reference of Investor's Grievance Committee cover the matters specified under Clause 49 of the Listing Agreement with Stock Exchanges.

Company Secretary Sh. Sunil Kumar Nagar has been designated as the Compliance Officer of the Company.

The status of quarterly investor queries/complaints received and resolved during the year 2010-2011 was duly reported on quarterly basis along with the un-audited/audited financial results of the Company for each corresponding quarter. The information on investor complaints in numbers for the last quarter ended on 31st March 2011 was as follows: Opening: -Nil, Received: Nil, Disposed of: Nil and Closing: NIL. Also, there were no pending share transfers in the Company as on 31st March 2011.



D. Monitoring Committee

The board of directors has constituted a Monitoring Committee for monitoring the progress of IT Park Project with M/s RPS Infrastructure Limited. Majority of the members of monitoring committee are independent directors and it comprises of following:

- | | | | |
|----|--------------------------|---------------------------|------------|
| 1. | Sh. F. C. Gupta, | (Independent director) | - Chairman |
| 2. | Sh. Jagmohan Lal Agarwal | (Independent director) | - Member |
| 3. | Sh. Vishal Aggarwal | (Joint Managing director) | - Member |

Terms of reference of the monitoring committee is to review and monitor the progress of IT Park Project of the Company with M/s RPS Infrastructure Limited for development of Company's Land situated at 12/6, Mile Stone, Mathura Road, Sarai Khawaja, Faridabad. During the last financial year, two meetings of the Monitoring Committee were held i.e. on 20th April 2010 and 30th October 2010 respectively.

E. General Committee

The board has also constituted a "General Committee" comprising of three executive directors i.e.

- | | | |
|----|---------------------|------------|
| 1. | Mr. J. P. Aggarwal | (Chairman) |
| 2. | Mr. Vishal Aggarwal | (Member) |
| 3. | Mr. S.K. Aggarwal | (Member) |

The General Committee is mainly responsible for day to day smooth functioning of various business activities and quick decision making in urgent matters. Presence of at least two of the above directors is necessary to constitute the requisite quorum for the meetings of general committee. The general committee is empowered to exercise the following powers & functions:-

- Make long term contracts with any reputed supplier of raw materials, chemicals & components etc.
- Appointment of technical and non technical staff.
- Purchase of any equipment, machinery or any replacement thereof.
- Deal with all technical problems involved in the production and maintenance of the plant.
- Taking accommodation on lease or rent.
- Making Capital Expenditure on behalf of the company not exceeding Rs 5,00,00,000/- (Rupees Five Crores only).
- Investment of funds of the Company in any venture up to Rs. 1,00,00,000/- (Rupees One Crore Only).
- Opening of Bank Accounts.
- Operation of Bank Accounts.
- Execution of authorization on behalf of Company.
- Delegation of administrative Duties to Staff.
- Calling Extra Ordinary General Meetings.
- Execution of custom house documents.
- Dealing with Central/State Government Authorities or local bodies.
- Obtaining license from Central Government or State Government.
- Availing loan facilities from Bankers & Financial Institutions within the limits given to the Board by shareholders of the Company under section 293(1)(d) of the Companies Act 1956.
- To mortgage and/or to create first/second charge as security for term loans/financial assistance granted by Financial Institutions/ Banks in addition to the mortgages/charge created/ to be created by the company, in favor of any banks, financial institutions, bodies corporate.
- Appoint Lead managers, Legal advisors, Co-managers, Bankers, Trustees, Underwriters,



Collection agents etc. in case company plans for public issue of its shares.

The General Committee meetings are held at regular intervals as and when required in the above matters. Minutes of the meetings of General Committee are regularly placed before the board for its consideration and approval.

Investor Services

M/s Link Intime India Private Limited is acting as the Registrar and Transfer Agents (RTA) of the Company since the year 2006. Link Intime India Pvt. Ltd. is having adequate infrastructure and VSAT connectivity with both the depositories (NSDL & CDSL), which facilitate prompt and better services to the shareholders of the Company.

Name and Address of Compliance Officer

Mr. Sunil Kumar Nagar, Company Secretary and Compliance Officer
STL Global Limited
Plot No. 4, Sector-6,
Faridabad, Haryana - 121006
Contact No. 91-129-4063301-04, Fax No. 91-129-2301483
E-mail : kumarsunil@stl-global.com, investors@stl-global.com

General body Meetings

Location and Time where last three Annual General Meetings of the company were held is given below

Financial Year	Date	Location of Meeting	Time	No. of Special Resolutions passed
2007-2008	29th September 2008	Auditorium, Banarasidas Chandiwala Estate, Maa Anandmayi Marg, Kalkaji, New Delhi	10:00 AM	1
2008-2009	30th September 2009	Jagan Nath Dharamshala, 1/9, Main Road, Gobindpuri, Opp. Acharya Narendra Dev College (ANDC), Kalkaji, New Delhi-110019	10:30 AM	3
2009-2010	30th September 2010	Jagan Nath Dharamshala, 1/9, Main Road, Gobindpuri, Opp. Acharya Narendra Dev College (ANDC), Kalkaji, New Delhi-110019	10:00 AM	2

Details of Extra-ordinary General Meetings held during the year 2010-2011

S. N.	Date	Location of Meeting	Time	No. of Special Resolutions passed
N. A.	N. A.	N. A.	N. A.	N. A.

During the last financial year ended on 31st March 2011 no Extra-ordinary General Meeting of the Company was held, and no resolution has been passed through Postal Ballot also.

Disclosures

a) Disclosure on Materially significant related party transaction

There were no material significant related party transactions entered into by the Company with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. Also there were no material individual transactions with related parties which are not on an arm's length basis.

Details of transactions entered with related parties are disclosed in the notes to accounts annexed herewith.



b) Details of Non Compliance by the Company

STL Global Limited has duly complied with all the requirements of listing agreement with Stock Exchanges, rules & regulations of Securities and Exchange Board of India (SEBI) and other Statutory Bodies on the matters related to Capital Markets during the financial year under review.

Also no penalties or strictures were imposed on the Company by SEBI, Stock Exchanges or any other Statutory Authorities on any matters relating to Capital Markets during the last three years.

c) Code of Conduct

Board of Directors has already adopted a Code of Corporate Governance & Conduct for Directors and Senior Management of the Company in order to make them aware of the ethics of the code. The said code has been communicated to all the Directors and Members of the Senior Management and has also been posted on Company's website www.stl-global.com. All the directors and executives from senior management of the Company are duly complying with above code of 'corporate governance and conduct'.

d) CEO / CFO Certificate

The Chairman cum Managing Director and the Chief Financial Officer (CFO) of the Company have already furnished the requisite Certificate to the Board of Directors pursuant to Clause 49-V of the Listing Agreement. The said certificate is also attached herewith and forms part of this director's report.

Means of Communication

a) Quarterly, Half-yearly and Annual Results

The quarterly/half yearly/annual un-audited/audited financial results of the Company are announced within 45/60 days (as the case may be) from the end of respective quarter/half-year/year, as stipulated under Clause-41 of the Listing Agreement. The aforesaid financial results are regularly reviewed by the Audit Committee and then taken on record by the Board of Directors in its meeting. The approved results are then communicated to the concerned Stock Exchanges by way of fax/e-mail and hard copy through courier; the Company also sends newspaper cuttings of the published results to stock exchanges regularly;

In accordance with Clause-41 of the Listing Agreement, the Company regularly sends the quarterly/half yearly/annual audited/un-audited financial results to stock exchanges within 15 minutes from the conclusion of the Board Meetings at which they are approved.

The above results are published within 48 hours from the conclusion of board meetings, in which they are approved, in following two newspapers; i.e. (i) Business Line (English) all editions and (ii) Veer Arjun (Hindi) Delhi edition. The notice convening above-referred board meetings is also published in the above newspapers regularly.

b) The Company regularly informs the stock exchanges about all price sensitive matters and such other information which in its opinion is material and of importance to the shareholders.

c) In addition to above, the Company's quarterly, half-yearly and yearly Financial Results, quarterly Shareholding Pattern and the Annual Reports are also regularly displayed on the Company's website www.stl-global.com.

d) As the Company's quarterly / half-yearly / annual financial results are published in newspapers and also posted on Company's website, hence the same are not mailed to the shareholders.

General Shareholder Information

A. 14th Annual General Meeting

Date	Time	Venue
September 29th 2011	10:00 A. M.	Conference Room-3, First Floor, India Corporate Centre, J2/B1 Extension, Mohan Cooperative, Mathura Road, New Delhi-110044



B. Financial Calendar (April 2011 to March 2012)

(Tentative and subject to change)

Period	Approval of Quarterly results
For the 1 st quarter ending on 30.06.2011	: On or before 14 th of August, 2011
For the 2 nd quarter & half year ending on 30.09.2011	: On or before 14 th of November, 2011
For the 3 rd quarter ending on 31.12.2011	: On or before 14 th of February, 2012
For the 4 th quarter & year ending on 31.03.2012	: On or before 30 th of May, 2012
Limited Review by the Auditors	: On or before 14 th August, 2011 On or before 14 th November, 2011 On or before 14 th February, 2012 On or before 15 th May, 2012

C. Listing on Stock Exchanges:

(a) At Present the Equity Shares of the Company are listed on the following Stock Exchanges:

- 1.) **Bombay Stock Exchange Limited (BSE)**
Floor-25, P. J. Towers, Dalal Street, Fort Mumbai - 400 001
- 2.) **National Stock Exchange of India Limited (NSE)**
"Exchange Plaza", Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

The Listing Fee for the year 2011-2012, has already been paid to the above Stock Exchanges.

(b) Depositories:

1. **National Securities Depository Limited (NSDL)**
4th Floor, 'A' Wing, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
2. **Central Depository Services (India) Limited (CDSL)**
Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street,
Mumbai - 400 023

The Annual Custodial Fees for the year 2011-2012, has also been paid to the above depositories.

D. Stock Code:

1. Bomaby Stock Exchange Limited (BSE) : **532730**
2. National Stock Exchange of India Limited (NSE) : **SGL**

E. Market Price Data (for the financial year 2010-11)

As the shareholders already aware that, shares of the Company are listed at Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Market Price data showing monthly high and low prices of equity shares of the Company at BSE and NSE for the year 2010-2011 is as follows:

MONTH	Bombay Stock Exchange (BSE) (In Rs. Per share)		National Stock Exchange (NSE) (In Rs. Per share)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April, 2010	10.50	8.00	10.25	7.90
May, 2010	10.20	8.15	10.20	8.20
June, 2010	8.80	7.65	8.90	6.90
July, 2010	9.45	7.65	9.30	7.40
August, 2010	8.80	6.97	8.40	7.00
September, 2010	9.50	6.93	9.65	7.00
October, 2010	8.47	7.23	8.80	7.00
November, 2010	9.00	6.26	10.00	6.10
December, 2010	7.95	4.95	7.40	5.75
January, 2011	6.79	5.00	7.05	5.40
February, 2011	6.28	4.30	6.60	4.60
March, 2011	5.95	4.53	6.00	4.30



F. Registrar and Transfer Agents

M/s Link Intime India Private Limited continues to be the Registrar and Share Transfer Agents (RTA) of the Company for both physical and Demat Shares and the address of their Mumbai & Delhi offices is given below:

Link Intime India Private Limited (Mumbai)

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West)
Mumbai-400 078

Contact Person

Mr. Vishwas Attvar

A-40, 2nd Floor, Naraina Industrial Area,
Phase-II, Near Batra Banquet,
New Delhi-110028

Mr. Bharat

G. Share Transfer System:

The share transfer requests are received and processed by the Registrar and share Transfer Agents (RTA) and are approved by the Share Transfer Committee of the company, which normally meets at regular intervals depending on the volume of share transfers. The share transfers are executed and share certificates are returned to the shareholders within a period of 30 days from the date of lodgment, provided the documents are complete in all respects.

All the valid share transfer requests received till 10th August 2011 have been acted upon.

The Company has been regularly complying with the provisions of Clause 47(c) of the Listing Agreement with stock exchanges, and a Certificate from a Company Secretary-in-Practice for due compliance of the share transfer formalities by the Company is being forwarded to NSE and BSE on half yearly basis with in one month from the end of each half year as per the provisions of said clause.

The Company also sends a 'Reconciliation of Share Capital Audit Report' obtained from a Company Secretary-in-Practice for reconciliation of share capital & dematerialization of the shares of the Company pursuant to regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 to the Stock Exchanges within One month from the end of each quarter.

Dematerialization of Shares and Liquidity

Shares of the Company are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As at 31st March 2011 only 400 equity shares out of total 27452680 equity shares were held in physical form and the remaining 27452280 equity shares were held in dematerialized form.

The Company's shares are regularly traded on Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd (NSE).

Distribution of Shareholding as on 31st March 2011

Number of Shares Category	Number of Shareholders		Equity Shares held in each category	
	Holders	% of Total	Total Shares	% of Total
1 to 5000	8166	72.982	1584522	5.772
5001 to 10000	1432	12.798	1131275	4.121
10001 to 20000	872	7.793	1240416	4.518
20001 to 30000	281	2.511	703509	2.563
30001 to 40000	103	0.921	373780	1.362
40001 to 50000	82	0.733	381436	1.389
50001 to 100000	114	1.019	854820	3.114
100001 and above	139	1.243	21182922	77.161
TOTAL	11189	100	27452680	100



Shareholding Pattern as on 31st March 2011

S. NO.	Category	No. of Shares	% of total
1.	Promoters Holding Promoters	17351235	63.21
2.	Institutional Investors Mutual Funds & UTI Banks/ FIs /FIIs/ Insurance Co.	0 390847	0.00 1.43
3.	Others Private Corporate Bodies Indian Public NRIs/HUF/OCBs & Others	1181135 7638413 891050	4.30 27.82 3.24
	TOTAL	27452680	100

Plant Locations

In accordance with the CDR Package the land and building of Company's plant situated at Plot No. 4, Sector-6, Faridabad, Haryana are to be disposed-off and the production activities at this plant have already been closed. Hence at present the Company's plant is located at Plot No. 207 & 208, Sector-58, Faridabad, Haryana (India).

Address for Correspondence:

The shareholders may send their Communications, Suggestions, Grievances or Queries to:

Mr. Sunil Kumar Nagar
Company Secretary and Compliance Officer

STL Global Limited

Plot No. 4, Sector-6,
Faridabad, Haryana - 121006
Contact No. 91-129-4063301-04, Fax No. 91-129-2301483
E-mail : investors@stl-global.com, kumarsunil@stl-global.com

Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has through Circular No. 17/2011 pronounced a Green Initiative in Corporate Governance that allows Companies to send notices / documents to shareholders electronically with an objective to reduce consumption of paper that in turn preventing deforestation and contributes towards a green and clean environment - a cause that your Company is also committed to.

Hence in support of the initiative announced by the MCA, your Company also proposes to send documents like Notice convening Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc. in electronic form to the shareholders, and we are proposing to send the 14th annual report electronically to the shareholders whose E-mail IDs are available with us and an intimation to this effect is proposed to be sent by E-mail to these shareholders asking for their assent or dissent for receiving the documents in electronic mode.

However we are not having the E-mail IDs of all the shareholders with us, and accordingly we are proposing to send the physical copy of 14th Annual Report to the shareholders whose Email IDs are not available with us. In case the shareholders desire to receive the documents mentioned above in electronic form, they are requested to register their E-mail ID with their Depository Participant (only in case of Demat account holders) or send an email to investors@stl-global.com giving details like Name and Folio No. (in case of physical shares) so that the above-referred documents can be sent to them electronically in future.

The board is sure that you appreciate the Green Initiative that has been undertaken by MCA and hope that you will support your Company's desire to participate in it.



INTER-SE RELATIONSHIP IN DIRECTORS (AS PER AMENDED CLAUSE 49)
(As on 10.08.2011)

The following table contains the details of inter-se-relationships between the directors of the Company, as required to be disclosed in accordance with the provisions of clause-49 of the Listing Agreement:

S.N.	Name	Designation	Inter-Se Relationship
01	Mr. Jai Prakash Aggarwal	Chairman cum Managing Director	Father in law of Mr. Vishal Aggarwal
02	Mr. Vishal Aggarwal	Joint Managing Director	Son in law of Mr. Jai Prakash Aggarwal
03	Mr. Sanjiv Kumar Aggarwal	Whole Time Director	No Relationship
04	Mr. Chandra Prakash Srivastava	Independent Director	No Relationship
05	Mr. Faquir Chand Gupta	Independent Director	No Relationship
06	Mr. Jagmohan Lal Agarwal	Independent Director	No Relationship
07	Mr. Sri Prakash Sharma	Nominee Director (IFCI)	No Relationship

NON-MANDATORY REQUIREMENTS

1) CHAIRMAN OF THE BOARD

The Company is having an Executive Chairman on the board; hence the requirement pertaining to reimbursement of expenses to non-executive Chairman does not arise.

2) REMUNERATION COMMITTEE

A Remuneration Committee comprising of three non-executive and independent directors is already functioning in the Company.

3) SHAREHOLDER RIGHTS

The financial performance of the Company is well published and also displayed on the Company's website in the form of quarterly/half-yearly/annual financial results. In view of this, individual communication of quarterly/half-yearly/annual financial results is not sent to the shareholders separately.

4) AUDIT QUALIFICATIONS

The Auditor's Report on annual accounts of the Company for the financial year ended on 31st March 2011 does not contain any qualifications or adverse remarks.

5) WHISTLE BLOWER POLICY

Company has already established a mechanism for its employees to report to the Audit Committee about any unethical & improper practices or alleged wrongful conduct. The whistle blower policy also provides adequate safeguards against victimization of employees who report under the above mechanism. The adoption of above mechanism by the Company has already been notified and communicated to the employees of all departments and there is no denial of any personnel access to the Audit Committee.



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
STL GLOBAL LIMITED

We have examined the compliance of conditions of Corporate Governance by M/s STL Global Limited, for the year ended on 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we hereby certify that the Company has complied with the requirements & conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **M. M. GOYAL & COMPANY**
(Chartered Accountants)

SD/-
M. M. GOYAL
(Partner)

Place: New Delhi
Date: 28th May 2011

Membership No. 86085



To

The Board of Directors

STL GLOBAL LIMITED

New Delhi.

CERTIFICATION BY
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We have reviewed the financial statements and the cash flow statements for the year 2010-2011 and to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
3. There are to the best of our knowledge and belief, no transactions entered in to by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct;
4. We accept the responsibility for establishing and maintaining Internal Controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of Internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies;
5. We further certify that:
 - (a) There have been no significant changes in internal control during this year;
 - (b) There have been no significant changes in accounting policies during this year and that the same has been disclosed in the notes to the financial statements; and
 - (c) There have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control systems.

SD/-

J. P. Aggarwal

(Chairman cum Managing Director)

Date: 28th May 2011

SD/-

Anil Jodhani Aggarwal

(Chief Financial Officer)

Place: Faridabad



AUDITORS' REPORT

To the Shareholders of STL GLOBAL LIMITED

We have audited the attached Balance Sheet of **STL GLOBAL LIMITED**, as at 31st March 2011, and also the annexed Profit & Loss Account and the cash flow Statement of the Company for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order to the extent applicable.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books;
- (c) The Balance Sheet, Profit & Loss Account and Cash flow statement dealt with by this report are in agreement with the Books of account;
- (d) In our opinion, the Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report comply with the accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (e) On the basis of written representations received from the Directors, as on 31st March 2011, and taken on record by the Board of Directors, We report that none of the Directors is disqualified as on 31st March 2011, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principals generally accepted in India:
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011.
 - (ii) In the case of the Profit & Loss Account, of the loss for the year ended on that date; and
 - (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For M M GOYAL & CO.
Firm Regn. No. 007198N
Chartered Accountants

Sd/-
M.M.GOYAL
Partner

Membership No. 86085

New Delhi
May 28th 2011



STL GLOBAL LIMITED

ANNEXURE

(Referred to in the main Report of even date)

- (i) (a) The Company has maintained proper record showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets covering significant value have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and nature of its assets. On the basis of the information and explanations given by the management, no material discrepancies have been noticed on such verification.
- (c) The Company has not disposed off any substantial part of its fixed assets during the year.
- (ii) (a) The Inventories have been physically verified by the management at reasonable intervals during the year.
- (b) To the best of our knowledge and according to information and explanation given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) To the best of our knowledge and according to information and explanation given to us, the company has maintained proper records of inventory. The discrepancies, noticed on the aforesaid verification, between the physical stocks and stocks as per books have been properly dealt with in the books of account.
- (iii) (a) To the best of our knowledge and according to the information and explanation given to us, the company has not granted any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) The company has taken unsecured loan from Two parties covered in the register maintained under section 301 of the Companies Act, 1956, on call basis. The maximum amount outstanding during the year was Rs. 514.95 Lakhs and the year end balance was Rs. 514.95 lakhs.
- (c) The same loan is interest free. Other terms and conditions on which the loan has been taken are prima facie, not prejudicial to the interest of the company.
- (d) In view of our comments in para iii (b) and (c) above, clause 4 (iii) (g) of the said order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, with regard to purchase of inventory, fixed assets and sale of goods. During the course of our audit, no major weakness has been noticed in the internal control systems.
- (v) (a) To the best of our knowledge and belief and according to explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) Transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public covered by section 58 A and 58 AA of The Companies Act 1956.
- (vii) To the best of our knowledge and according to information and explanation given to us, the company has an adequate internal audit system commensurate with its size and nature of its business.
- (viii) To the best of our knowledge and according to the information given to us, The Central Government has not been prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 in respect of the company's products.
- (ix) (a) To the best of our knowledge and according to the books and records as produced and examined by us, in accordance with the generally accepted auditing practices in India, the Company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, Income tax, sale tax, wealth tax, service tax, excise duty, custom duty, and cess and other statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sale tax, wealth tax, service tax, excise duty, custom duty and cess were in arrears, as at 31st March, 2011 for a period of more than six months from the date they become payable.
- (c) As at 31st March, 2011, according to the records of the Company and the information & explanations given to us, the following are the particulars of dues on account of Income Tax, Sale Tax, wealth tax, service tax, custom duty, excise duty and cess matters that have not been deposited on account of any dispute -

Sl. No.	Name of the Statute	Nature of Dues	Amount Rupees	Forum where Dispute is pending
1.	Income Tax Act, 1961	Income Tax	26,72,030	High Court (Delhi)
2.	Local Area Development Ordinance-2000	Local Area Development Tax	47,99,479	Jt. Excise & Taxation Commissioner, Faridabad
3.	HGST Act	Sale Tax	23,12,722	Jt. Excise & Taxation Commissioner, Faridabad
4.	HVAT Act	Sale Tax	4,10,939	Haryana Sale Tax Appellate Tribunal, Chandigarh

- (x) The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. Further the Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the company during the year has defaulted in repayment of dues to financial institutions and banks. However during the year, the Company has submitted its proposal under Corporate Debt Restructuring (CDR) mechanism to CDR cell for restructuring its secured debts and The CDR Empowered Group has considered and approved the proposal of the Company.
- (xii) The Company during the year has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute as specified under paragraph (xiii) of the order are not applicable to



the company.

- (xiv) In our opinion and according to the information and explanations given to us, the company is not a dealer or trader in securities.
- (xv) According to the information and explanations given to us, in our opinion, the Company has not given any guarantee for loans taken by others from Bank or financial institutions, the terms and conditions where of are prejudicial to the interest of the company.
- (xvi) To the best of our knowledge and according to the information and explanation given to us. And on an over all examinations, we are of the opinion that, terms loans availed by the company, have been, applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company, funds raised on short term basis have not been used for long term investment.
- (xviii) To the best of our knowledge and as per the information and explanations given to us the Company has not made any preferential allotment of shares to the parties and companies covered in the Register maintained under Section 301 of the Act.
- (xix) As there are no debentures outstanding at year-end, paragraph (xix) of the order is not applicable.
- (xx) According to The information provided to us, the company has not raised any money by way of public issue during the year. Therefore clause 4(xix) of order is not applicable to the company.
- (xxi) According to the information and explanations given to us, during the year no fraud on or by the company has been noticed or reported.

For M M GOYAL & CO.
Firm Regn. No 007198N
Chartered Accountants

Sd/-
M.M.GOYAL
Partner

Membership No. 86085

New Delhi
May 28th 2011



STL GLOBAL LIMITED

BALANCE SHEET FOR THE YEAR ENDED AS AT 31ST MARCH 2011

(Figure in Rupees)

PARTICULARS	SCHEDULE NO.	AS AT 31-03-2011	AS AT 31-03-2010
SOURCES OF FUNDS			
Shareholders' funds			
Share Capital	1	27,22,17,975	27,22,17,975
Reserves & surplus	2	76,02,00,613	76,02,00,613
		1,03,24,18,588	1,03,24,18,588
Loan Funds			
Secured	3	2,01,66,24,185	1,94,36,07,346
Unsecured		5,14,95,000	5,14,95,000
TOTAL		3,10,05,37,773	3,02,75,20,934
APPLICATION OF FUNDS			
Fixed Assets			
Gross block	4	1,68,86,85,782	1,70,88,22,395
Less: Depreciation		84,12,25,860	74,51,09,220
Net Block		84,74,59,922	96,37,13,175
Capital work-in-progress	5	38,87,650	31,94,917
Investments	6	1,26,400	1,26,400
Deferred Tax Assets (Net)		21,46,33,257	(1,36,83,927)
Current assets, loans and advances			
Inventories	7	89,79,94,192	1,36,76,32,820
Sundry Debtors	8	87,95,96,474	88,67,81,396
Cash & Bank balances	9	1,97,83,881	1,03,78,518
Loans & Advances	10	4,91,85,309	4,49,52,407
		1,84,65,59,856	2,30,97,45,141
Current liabilities and provisions			
Liabilities	11	43,77,08,692	33,63,58,312
Provisions		-	-
Net Current Assets		1,40,88,51,164	1,97,33,86,829
Miscellaneous Expenditure (To the extent not written off or adjusted)	12	4,22,170	4,82,480
Profit & Loss Account		62,51,57,210	10,03,01,060
TOTAL		3,10,05,37,773	3,02,75,20,934
SIGNIFICANT ACCOUNTING POLICIES	16		
NOTES TO ACCOUNTS	17		

AUDITOR'S REPORT
As per our report attached

FOR M.M.GOYAL & CO.
Firm Regn. No 007198N
Chartered Accountants

Sd/-
M.M.GOYAL
Partner
Membership No.86085
New Delhi
May 28th 2011

Sd/-
J.P.AGGARWAL
Chairman & Managing Director

Sd/-
ANIL JODHANI AGGARWAL
Chief Financial Officer

Sd/-
VISHAL AGGARWAL
Joint Managing Director

Sd/-
SUNIL KUMAR NAGAR
Company Secretary



STL GLOBAL LIMITED

PROFIT & LOSS A/C FOR THE YEAR ENDING AS ON 31ST MARCH 2011 (Figure in Rupees)

PARTICULARS	SCHEDULE NO.	Year Ended 31-03-2011	Year Ended 31-03-2010
INCOME			
Sales & other income	13	1,63,52,36,781	2,77,68,61,552
		=====	=====
EXPENDITURE			
Manufacturing & other expenses	14	2,03,80,72,026	2,84,99,12,399
Financial charges	15	23,26,72,539	21,28,70,886
Expenditure amortised		60,310	60,310
		-----	-----
		2,27,08,04,875	3,06,28,43,595
Profit before depreciation		(63,55,68,094)	(28,59,82,043)
Depreciation		11,76,05,239	8,85,65,703
Profit after depreciation		(75,31,73,334)	(37,45,47,746)
Provision for Income Tax		-	-
Excess provision of Tax for earlier years written back		-	1,39,826
Provision for Deffered Tax		(22,83,17,184)	(9,76,92,608)
Profit/(Loss) after tax		(52,48,56,150)	(27,69,94,964)
Profit brought forward from previous year		(10,03,01,060)	17,66,93,904
Balance carried over to balance sheet		(62,51,57,210)	(10,03,01,060)
Earning per share of Rs. 10/-each			
Refer Note No. 12 of Notes on accounts)			
- Basic & diluted		(19.45)	(10.26)
SIGNIFICANT ACCOUNTING POLICIES	16		
NOTES TO ACCOUNTS	17		

AUDITOR'S REPORT
As per our report attached

FOR M.M.GOYAL & CO.
Firm Regn. No. 007198N
Chartered Accountants

Sd/-
J.P.AGGARWAL
Chairman & Managing Director

Sd/-
VISHAL AGGARWAL
Joint Managing Director

Sd/-
M.M.GOYAL
Partner
Membership No.86085
New Delhi
May 28th 2011

Sd/-
ANIL JODHANI AGGARWAL
Chief Financial Officer

Sd/-
SUNIL KUMAR NAGAR
Company Secretary



STL GLOBAL LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET & PROFIT & LOSS ACCOUNT

(Figure in Rupees)

		AS AT 31-03-2011		AS AT 31-03-2010
SCHEDULE-1 SHARE CAPITAL				
AUTHORISED				
42000000 Equity Shares (Previous year 42000000 Equity Shares) of Rs. 10/-each		42,00,00,000		42,00,00,000
ISSUED, SUBSCRIBED & PAID UP				
26990915 Equity Shares (Previous year 26990915 Equity shares) of Rs.10/- each fully paid up		26,99,09,150		26,99,09,150
Out of the above:				
32,00,000 (Previous year 32,00,000) Equity shares were issued as fully paid- pursuant to scheme of Amalgamation				
461765 Equity Shares (Previous year 461765 Equity shares) of Rs. 10/- each partly paid up	46,17,650		46,17,650	
Less: Calls unpaid	23,08,825		23,08,825	
		23,08,825		23,08,825
		27,22,17,975		27,22,17,975
SCHEDULE-2 RESERVE & SURPLUS				
Share Premium Account				
Opening Balance as on April 1	45,37,62,392		45,37,59,142	
Add: Premium received during the year	-		3,250	
	45,37,62,392		45,37,62,392	
General Reserve				
At the commencement and end of the year		6,25,62,721		6,25,62,721
Capital Revaluation Reserve				
Conversion of land into stock in trade		243875500		243875500
		76,02,00,613		76,02,00,613



STL GLOBAL LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET & PROFIT & LOSS ACCOUNT

(Figure in Rupees)

	AS AT 31-03-2011	AS AT 31-03-2010
SCHEDULE-3 LOAN FUNDS		
SECURED LOANS		
Term Loans *		
From Financial Institutions	17,20,75,318	15,60,58,552
From Banks	28,43,00,000	28,43,00,000
Interest Accrued & Due	1,79,73,929	1,21,60,355
Corporate Loans -From Banks **	9,28,30,352	18,52,41,508
Working Capital Rupees Term Loan ***	9,00,00,000	-
Funded Interest Term Loan & WCTL ****	58,10,47,703	21,36,37,314
Working Capital Loans ****		
From Banks	77,37,33,284	1,08,45,02,965
Deffered Payment Credit *****	46,63,599	77,06,652
	<u>2,01,66,24,185</u>	<u>1,94,36,07,346</u>
UNSECURED LOANS		
from Body Corporate and Directors	5,14,95,000	5,14,95,000
	<u>5,14,95,000</u>	<u>5,14,95,000</u>

* Secured by a first charge over the company's immovable and movable properties (except land situated at 12/6 Mathura road, Faridabad) including its movable machinery, spare, tools and accessories, present and future, and a first charge on all the remaining assets of the company, present & future (save and except book debts in the case of hypothecation) subject to prior charges and/or to be created in favour of the company's bankers for securing its working capital requirements and further guaranteed by personal guarantee of promoter directors.

** Secured by equitable mortgage of land measuring 13370 Sq Yards situated at 12/6 Mathura road Faridabad.

*** Secured by Subservient charge on the Current Assets of the Company.

**** Secured by pari passu first charge on current assets, stock of raw material, semi finished and finished goods, consumable store & spares, bills receivables & book debts and all other movable, present and future, also a second pari passu charge ranking after the charges created or to be created in favour of the term lenders on immovable and movable properties both present and future.

***** Secured by first charge on certain movable assets(vehicles)

STL GLOBAL LIMITED

SCHEDULE - 4 FIXED ASSETS

FOR THE PERIOD ENDED AS ON 31.03.2011

(Figures in Rupees)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2010	ADDITIONS DURING THE YEAR	SALE/ TRANSFER	AS AT 31.03.2011	UPTO 01.04.2010	DURING THE YEAR	DEDUCTION/ ADJUSTMENT	UPTO 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
LAND	10,05,22,562	-	-	10,05,22,562	-	-	-	-	10,05,22,562	10,05,22,562
BUILDING	19,59,20,413	28,40,135	-	19,87,60,548	4,75,68,750	1,48,35,945	-	6,24,04,695	13,63,55,853	14,83,51,663
PLANT & MACHINERY	1,35,82,95,887	55,55,775	2,57,84,194	1,33,80,67,468	66,36,11,874	9,79,83,756	1,98,55,124	74,17,40,506	59,63,26,962	69,46,84,013
VEHICLES	3,10,22,475	-	29,19,264	2,81,03,211	1,59,05,203	36,63,535	16,33,475	1,79,35,263	1,01,67,948	1,51,17,272
FURNITURE & FIXTURES	85,03,956	-	-	85,03,956	53,54,678	5,70,019	-	59,24,697	25,79,259	31,49,278
OFFICE EQUIPMENTS	37,60,924	82,265	-	38,43,189	29,06,343	1,23,122	-	30,29,465	8,13,724	8,54,581
COMPUTERS	1,07,96,178	88,670	-	1,08,84,848	97,62,372	4,28,861	-	1,01,91,233	6,93,615	10,33,806
TOTAL	1,70,88,22,395	85,66,845	2,87,03,458	1,68,86,85,782	74,51,09,220	11,76,05,239	2,14,86,599	84,12,25,860	84,74,59,922	96,37,13,175
PREVIOUS YEAR	1,54,29,12,770	20,64,88,714	4,05,79,089	1,70,88,22,395	68,36,63,667	8,85,65,703	2,71,20,150	74,51,09,220	96,37,13,175	



STL GLOBAL LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET & PROFIT & LOSS ACCOUNT

(Figure in Rupees)

	AS AT 31-03-2011	AS AT 31-03-2010
SCHEDULE-5 CAPITAL WORK IN PROGRESS		
Advance for Capital Goods (Unsecured considered good)	38,87,650	31,94,917
	-----	-----
	38,87,650	31,94,917
	-----	-----
SCHEDULE-6 INVESTMENTS		
Quoted		
9700 Equity Shares of Uco Bank at Rs.12/- each (Previous year 9700 Equity Shares) market Value Rs. 10,37,900 (Previous year Rs.2,33,285)	1,16,400	1,16,400
PNB Mutual Fund 997.934 Units at Rs. 10.02/- per Unit Market Value Rs. 12,528 (Previous year Rs. 11,456)	10,000	10,000
	-----	-----
	1,26,400	1,26,400
	-----	-----
SCHEDULE-7 INVENTORIES		
(As taken valued & certified by the management)		
Raw material	30,43,29,173	43,45,71,186
Stores & spares	30,91,709	78,15,554
Fuel & furnace oil	5,94,460	18,30,698
Work in progress	21,15,41,044	34,63,25,422
Packing material	89,876	2,99,010
Finished goods	11,94,78,330	31,79,99,298
Scrap	3,25,600	2,47,652
Land (Conversion into stock in trade)	25,85,44,000	25,85,44,000
	-----	-----
	89,79,94,192	1,36,76,32,820
	-----	-----
SCHEDULE-8 SUNDRY DEBTORS		
(Unsecured)		
Debts outstanding over Six months		
- Considered Good	33,53,14,290	9,65,84,522
- Considered Doubtful	18,54,36,917	9,12,71,398
Others	35,88,45,267	69,89,25,476
	-----	-----
	87,95,96,474	88,67,81,396
	-----	-----
SCHEDULE-9 CASH & BANK BALANCES		
Cash in hand	9,17,736	1,51,225
Balance with schedule bank		
In current account	1,36,35,705	23,05,507
In Fixed Deposit & Intt. Accrued (Under Lien)	52,30,440	79,21,786
	-----	-----
	1,97,83,881	1,03,78,518
	-----	-----



STL GLOBAL LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET & PROFIT & LOSS ACCOUNT

(Figure in Rupees)

	AS AT 31-03-2011	AS AT 31-03-2010
SCHEDULE-10 LOANS & ADVANCES		
(Unsecured considered good)		
To be recoverable in cash or in kind or for value to be received	81,82,224	91,69,868
Security Deposit	42,06,400	42,06,400
Export Incentive Receivable	-	5,34,011
Balance with excise Dept	63,726	63,726
Cenevat Recoverable	1,12,03,196	1,12,03,196
Adv income tax	2,45,44,515	1,87,89,958
A.E.P.C	9,85,248	9,85,248
	<u>4,91,85,309</u>	<u>4,49,52,407</u>
SCHEDULE -11 CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	42,67,48,404	31,24,88,114
Other liabilities	59,69,469	73,68,663
Provision for Mark to market losses on derivative contract	-	1,36,88,958
Interest Accrued but not Due	49,90,819	28,12,577
	<u>43,77,08,692</u>	<u>33,63,58,312</u>
(A)		
PROVISIONS		
Provisions for Income Tax (B)	-	-
	<u>43,77,08,692</u>	<u>33,63,58,312</u>
(A)+(B)		
SCHEDULE-12 MISCELLANEOUS EXPENDITURES		
(To the extent not written off or adjusted)		
Deferred Revenue Expenditure	4,22,170	4,82,480
	<u>4,22,170</u>	<u>4,82,480</u>
SCHEDULE -13		
SALES & OTHER INCOME		
Sales-Exports	-	2,59,18,986
Sales-Domestic	1,63,44,11,953	2,74,11,57,181
Export Incentives	-	21,56,222
Interest accrued and received on FDR	6,19,641	11,12,796
Profit on Derivative Contract	-	56,20,154
Other income	2,05,187	8,96,213
	<u>1,63,52,36,781</u>	<u>2,77,68,61,552</u>



STL GLOBAL LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET & PROFIT & LOSS ACCOUNT

(Figure in Rupees)

	Year Ended 31-03-2011	Year Ended 31-03-2010
SCHEDULE-14 MANUFACTURING & OTHER EXPENSES		
Raw Material Consumed	1,46,73,91,344	2,60,40,41,143
Store consumed	1,23,54,609	1,44,96,981
Salary & wages	3,69,92,834	3,53,29,878
Welfare exp	11,77,468	20,23,551
Cont to E.S.I fund	7,79,675	5,09,445
Cont to Provident & other funds	12,28,879	10,28,572
Power & fuel	12,79,62,750	10,90,92,997
Job work charges	1,89,04,321	1,68,66,879
REPAIR & MAINTENANCE:		
Plant & machinery	1,18,56,474	83,27,498
Building	2,84,646	3,06,859
Others	9,37,847	7,49,340
Advertisement & publicity	1,93,158	1,87,350
Fees & subscription	2,77,099	7,05,006
Travelling & conveyance	22,23,934	14,17,648
Printing & stationery	9,48,311	7,57,320
Postage telegram & telephone	11,89,576	15,05,530
Insurance	8,28,881	10,90,082
Legal & professional charges	40,44,876	22,88,813
Rent,Rates & taxes	8,47,629	8,06,839
Auditors' Remuneration	1,37,875	1,37,875
Vehicle running & maintenance	16,43,437	14,02,072
Sales promotion	3,17,429	2,07,018
Testing Charges	2,399	75,949
Packing & forwarding	1,11,76,322	1,09,35,560
Discount & Commission	-	32,64,697
Loss on Sale of Assets	9,90,159	30,89,396
Other expenditure	1,52,696	1,02,913
	1,70,48,44,628	2,82,07,47,211
INCREASE /DECREASE IN STOCK		
OPENING STOCK:		
Finished goods	31,79,99,298	32,12,14,340
Work in progress	34,63,25,422	37,22,10,285
Scrap	2,47,652	3,12,935
	66,45,72,372	69,37,37,560
CLOSING STOCK:		
Finished goods	11,94,78,330	31,79,99,298
Work in progress	21,15,41,044	34,63,25,422
Scrap	3,25,600	2,47,652
	33,13,44,974	66,45,72,372
	33,32,27,398	2,91,65,188
	2,03,80,72,026	2,84,99,12,399



STL GLOBAL LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET & PROFIT & LOSS ACCOUNT

(Figure in Rupees)

	Year Ended 31-03-2011	Year Ended 31-03-2010
SCHEDULE - 15 FINANCIAL CHARGES		
Interest:		
- Term Loans	5,29,20,704	3,40,05,087
- others *	10,84,76,154	16,56,64,602
Bank charges & financial charges	1,08,74,266	1,32,01,197
Loss on settlement of derivative Contracts	6,04,01,415	-
	-----	-----
	23,26,72,539	21,28,70,886
	-----	-----

* Includes Amount of Rs. (-) 5,61,94,818 on account of remission / concession in interest payable granted by secured lender arising out of settlement of loans,

SIGNIFICANT ACCOUNTING POLICIES 16

NOTES TO ACCOUNTS 17

AUDITOR'S REPORT
As per our report attached

FOR M.M.GOYAL & CO.
Firm Regn. No. 007198N
Chartered Accountants

Sd/-
J.P.AGGARWAL
Chairman & Managing Director

Sd/-
VISHAL AGGARWAL
Joint Managing Director

Sd/-
M.M.GOYAL
Partner
Membership No.86085
New Delhi
May 28th 2011

Sd/-
ANIL JODHANI AGGARWAL
Chief Financial Officer

Sd/-
SUNIL KUMAR NAGAR
Company Secretary



STL GLOBAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

(Figure in Lakhs)

	Year Ended 31-03-2011	Year Ended 31-03-2010
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit after tax	(5248.56)	(2,769.95)
Adjustment for:		
Depreciation	1176.05	885.66
Profit/Loss on sale of Assets	9.90	30.89
Interest Income	(6.20)	(11.13)
Income from Investments	(0.15)	(0.03)
Interest charged to Profit & loss account	2326.73	2,128.71
Provision for Tax/ Tax for Earlier years	(2283.17)	(975.53)
Misc Expenditure written off	0.60	0.60
Operating Profit before working capital change	(4024.80)	(710.77)
Adjustment for:		
Trade & other receivables	29.52	360.29
Inventories	4696.39	697.54
Trade Payable & other liabilities	1013.50	(893.26)
	5739.41	164.58
Cash Generated from Operations	1714.61	(546.20)
Direct Taxes paid	0.00	9.76
Cash flow from operating activities	1714.61	(555.96)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Additions to Fixed Assets (Including Work in Progress)	(92.60)	(366.95)
Sale of Fixed Assets/Capital subsidy	62.25	103.69
Interest Recd	6.20	11.13
Income from Investments	0.15	0.03
	(24.00)	(252.10)
Net Cash used in Investing Activities	(24.00)	(252.10)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	730.17	2,821.32
Repayment of borrowings	0.00	(165.85)
Proceeds from issue of shares	0.00	0.04
Interest paid	(2326.73)	(2,128.71)
Exchange fluctuation	-	-
Net Cash Generated from Financing Activities	(1596.56)	526.80
NET CHANGE IN CASH AND CASH EQUIVALENT	94.05	(281.26)
Balance at the Beginning of the year	103.79	385.05
Balance at the End of the year	197.84	103.79

AUDITOR'S REPORT

As per our report attached

FOR M.M.GOYAL & CO.
Firm Regn. No. 007198N
Chartered Accountants

Sd/-
M.M.GOYAL
Partner
Membership No.86085
New Delhi
May 28th 2011

Sd/-
J.P.AGGARWAL
Chairman & Managing Director

Sd/-
ANIL JODHANI AGGARWAL
Chief Financial Officer

Sd/-
VISHAL AGGARWAL
Joint Managing Director

Sd/-
SUNIL KUMAR NAGAR
Company Secretary



STL GLOBAL LIMITED

SCHEDULE-16. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- (a) The Financial statement are prepared under the historical cost convention, unless stated otherwise, on a going concern basis, and in accordance with the generally accepted accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956 as adapted consistently by the Company, to the extent applicable.
- (b) The Company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2. USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The Difference between the actual results and estimates are recognized in the period in which the result are known/materialized.

3. FIXED ASSETS

- (a) Fixed assets are stated at their original cost net of Modvat / Cenvat / VAT / Capital subsidy wherever availed, less accumulated depreciation. Cost of fixed assets comprises purchase price, duties, levies, Freight, and any direct attributable cost of bringing the assets to its working condition for the intended use.
- (b) Capital work in progress is stated at cost and includes advances for capital items.

4. DEPRECIATION

Depreciation on fixed Assets has been provided on Written down value method (W.D.V) on pro rata basis at the rate and in the manner prescribed in Schedule XIV of the Companies Act, 1956,.

5. IMPAIRMENT OF ASSETS

Carrying amount of cash generating units/assets is reviewed for impairment. Impairment if any is recognized where the carrying amount exceeds the recoverable amount being the higher of net realizable price and value in use.

6. INVESTMENTS

Investments are valued at Cost.

7. INVENTORY

- (a) Inventory of Raw material is valued at weighted average cost or net realizable value which ever is lower; Cost being net of excise duty.
- (b) Inventory of finished goods is valued at the lower of cost or estimated realizable value. For this purpose, cost is being reckoned as full cost (exclusive of interest and administrative overheads) net of excise duty and includes excise duty in the finished goods, where applicable.
- (c) Closing stock of work in progress is valued at the lower of cost or estimated realizable value; for this purpose cost does not include excise duty.
- (d) Inventory of store & spares is valued at cost, exclusive of excise duty.
- (e) Scrap is valued at net realizable value.

8. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

9. SALES

Sales are net of Sale tax and trade discounts, wherever applicable.



10. PURCHASE OF RAW MATERIAL

Cost of Purchase less modvat / cenvat / Vat Credits, wherever availed constituted purchase price and includes duties, Freight inward and other cost directly attributable to such purchase in the year in which they are accounted, whether the expenditure is immediate or deferred.

11. FOREIGN EXCHANGE TRANSACTIONS

- (a) Transactions in the foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- (b) Any Income or expenses on account of foreign exchange difference either on settlement or on transaction, is being recognized in Profit & loss account except in cases where they relate to the acquisition of fixed assets. In which cases these are adjusted to the carrying cost of such assets.

12. EXPORT INCENTIVES

Export incentives are accounted for on the basis of exports sales affected during the period.

13. EMPLOYEE BENEFITS

- a) Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
- b) Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Profit and loss Account.

14. DERIVATIVE TRANSACTIONS

In respect of Derivative Contracts, Premium paid, gains/ losses on settlement are recognized and charged to Profit & Loss Account.

15. MODVAT/CENVAT/VAT

Modvat / cenvat / VAT on capital assets is credited to the assets/capital work in progress account. Modvat / cenvat / VAT on raw materials and other material are deducted from the cost of such materials.

16. PROPOSED DIVIDEND

No Dividend has been proposed to declare by the Board.

17. CONTINGENT LIABILITIES

- (a) Contingent liability in respect of show cause notices received is considered only when they are converted into demands. Payments in respect of such demands, if any are shown as advances.
- (b) Contingent liability under various fiscal laws includes those in respect of which the company/ department is in appeal.
- (c) Contingent liabilities are disclosed by way of notes.

18. TAXATION

Provision for current income tax is made after taking credit for allowance and exemptions in accordance with the Accounting standard 22- Accounting for Taxes on income, issued by the Institute of Chartered Accountants of India, the deferred tax for timing difference between the book & tax profit is accounted for using the tax rates and the tax laws that have been enacted or substantially enacted as of the balance sheet date.

Deferred tax assets arising from temporary timing difference are recognized to the extent there is virtual certainty that the assets can be realized in future.

19. MISCELLANEOUS EXPENDITURE

Miscellaneous Expenditure included amalgamation Expenses and are amortized over a period of 10 Years.



STL GLOBAL LIMITED

SCHEDULE -17

NOTES TO ACCOUNTS

	AS AT 31.03.2011 (Rs. in lakhs)	AS AT 31.03.2010 (Rs. in lakhs)
1. CONTINGENT LIABILITIES		
(a) Letter of Credit (Net of Margin of Rs. 44.72 Lakhs previous year Rs. 65.67 Lakhs)	353.92	197.97
(b) Disputed Liability towards Income Tax	39.33	44.62
(c) Disputed Liability towards Sale Tax	27.23	56.05
(d) Disputed Liability towards Local Area Development Tax	47.99	47.99
(e) Disputed Liability towards A.E.P.C	9.85	9.85
(f) Surety given to Sale Tax Deptt. For third party	1	1
2. Estimated amount of contracts remaining to be executed on Capital account is Rs. 42.00 lakhs (Previous Year Rs. 60.00 lakhs)		
3. DIRECTOR REMUNERATION (Figure in Lakhs)	2010-11	2009-10
Salary	19.20	19.20
House Rent Allowance	0.00	0.00
	-----	-----
	19.20	19.20
	-----	-----
Director Sitting Fees	0.62	0.64
4. Computation of Net Profit in accordance with section 198/349 of the Companies Act, 1956 has not been given as no commission is payable to managing/ whole time Director.		
5. Previous years figures have been regrouped / rearranged wherever considered necessary to make comparable with the current year figures.		
6. Sundry creditors includes Rs. 18,90,732.00 as on 31st March 2011 (Previous year Rs.15,45,688) due to Micro, Small and Medium Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. further there are no delays in payment to Micro, Small and Medium Enterprises. The information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.		
7. EMPLOYEE BENEFITS		
In accordance with Accounting Standard 15 "Employee Benefits", the Company has classified various benefits provided to employees as under:		
		Figure in Lakhs
Defined Contribution Plan	2010-11	2009-10
Employer's Contribution to Provident fund	12.29	10.29
Employer's Contribution to Employees' State insurance	7.80	5.09



8. DEFERRED TAX LIABILITY/ASSETS (NET)

As per Accounting standard AS-22, Deferred Tax at the year end comprise of the followings:

	As at 31.03.2011 (Rs. in lakhs)
(a) Deferred Tax Liability as on 01.04.2010	(-)136.84
(b) For the Current year Deferred Tax Assets	2,283.17

Balance as at 31.03.2011 (Assets)	2,146.33

9. RELATED PARTY TRANSACTIONS

As per AS-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions with them are disclosed below:

Related Parties

- | | | |
|--|---|--|
| (a) Subsidiaries | : | Nil |
| (b) Associates | : | Nil |
| (c) Key Managerial Personnel | : | 1. J.P.Aggarwal
2. Vishal Aggarwal
3. S.K.Aggarwal |
| (d) Relative of key Managerial Personnel | : | 1. Sumitra Aggarwal
2. Vikas Aggarwal |
| (e) Enterprises over which key management personnel (KMP) or relative having influence | : | 1. M/s Reckon Industries Ltd.
2. M/s Ruchi India Limited
3. M/s Target Fashion Limited.
4. M/s Reckon Pharmachem Pvt. Ltd.
5. M/s Shyam Tex Exports Ltd. |

Transaction with Related Parties

Amount Rs. In Lakhs

Nature of Transactions	(c)		(d)		(e)	
	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
Sale / Job work	-	-	-	-	556.77	778.06
Purchase / Job work	-	-	-	-	-	-
Loan taken	65.00	1.35	-	65.00	-	63.00
Loan given	-	-	65.00	-	-	-
Remuneration paid	19.20	19.20	-	-	-	-
Receivable	-	-	-	-	104.93	16.91
Payable	453.30	388.24	-	65.00	63.00	63.00

10. AUDITOR'S REMUNERATION

(Inclusive of service Tax)	Current Period	Previous Year
Audit Fees	1,21,330	1,21,330
Tax Audit Fees	16,545	16,545
	1,37,875	1,37,875

11. SEGMENT INFORMATION :

a) Primary Segment Reporting by Business Segment:

Based on the guidelines in Accounting Standard on segment Reporting (AS-17) issued by the ICAI, The Company's primary business segment is Manufacture in textiles. The Textile Business incorporate the product groups namely: Dyeing and Processing of woven and knitted Fabrics.

b) Secondary Segment Reporting (By Geographical Segments) :

The following is the distribution of the Company's consolidated sales by geographical segment, Regardless of where the goods were produced:

Particulars	Current Year (Rs. In Lakhs)	Previous year (Rs. In Lakhs)
i Sales to overseas market	Nil	259.19
ii Sales to Domestic market	16,344.12	27,411.57

The Company has common fixed assets for producing goods for overseas market and domestic markets, hence separate figures for fixed assets/ additions to fixed assets etc. cannot be furnished.

12. CALCULATION OF EARNING PER SHARE

	Current Year	Previous Year
a) <u>Weighted Average number of Equity Shares</u> Number at the commencement of the year (Nos.)	2,69,90,915	2,69,90,785
Add: Conversion of partly paid up equity Shares into fully paid up during the year	Nil	130
Weighted Average Number of Equity Shares used as denomination (Nos.)	2,69,90,915	2,69,90,915
b) Net Profit as per Profit & Loss Account (Rs.)	(52,48,56,150)	(27,69,94,964)
c) Basic & Diluted earning per share (a/b) (Rs.)*	(19.45)	(10.26)

* The EPS has been calculated on fully paid up Equity shares.

13. FINANCIAL AND DERIVATIVE INSTRUMENTS

- The Company was entered into derivative contract under the category Currency swaps and Notional Principal amount outstanding as on 31st March 2011 amounts to Rs. Nil (Previous year Rs.20,00,00,000)
- In respect of derivative contracts which are stated in para 'a' above, there is a net Loss of Rs. 604.01 lakhs during the current financial year due to settlement of contracts ,which has been debited to Profit & Loss account under the head Financial Charges as shown in Schedule-15 of the Balance sheet.



14. Additional Information pursuant to part II of schedule VI of the Companies Act, 1956 as certified by the management.

A) INSTALLED CAPACITY

(As Certified by the management)

Class of Goods	Current Year	Previous Year
Processing, Dyeing & Finishing of Fabrics (Woven)	576.00 Lac Mtr.	576.00 Lac Mtr.
Processing & Dyeing of Fabrics (Hosiery)	8,800.00 M.T	8,800.00 M.T
Knitting of Fabrics	4,200.00 M.T	4,200.00 M.T
Garments	Nil.	36.00 Lacs Pcs.

B) Particular of Production

Class of Goods	Current Year	Previous Year
Processing, Dyeing & Finishing of Fabrics (Woven)	303.774 Lac Mtr	402.537 Lac Mtr
Processing & Dyeing of Fabrics (Hosiery)*	4,062.080 MT	5,486.231 M.T
Knitting*	1,544.632 MT	1,727.395 M.T
Garments	Nil	1,04,822 Pcs

* include 1222.958 MT. for captive consumption (Previous Year 1643.295 M.T.)

C) Particulars of finished

I. Opening Stock	Current Year		Previous Year	
	Qty.	Value (Rs)	Qty.	Value (Rs)
Processed, Dyed & finished Fabric (Woven)	32.44 Lac Mtr.	14,94,80,598	25.83 Lac Mtr.	11,58,67,550
Dyed Yarn	–	Nil	18.568 MT	23,21,000
Processed & Dyed Fabric (Hosiery)	395.289 MT	7,54,36,200	405.140 MT	8,42,92,880
Knitted Fabrics	449.645 MT	8,09,36,100	520.150 MT	7,59,67,150
Garments	80,976 Pcs	1,21,46,400	2,49,204 Pcs	4,27,65,760
		-----		-----
		31,79,99,298		32,12,14,340
		-----		-----

II. Closing Stock	Current Year		Previous Year	
	Qty	Value (Rs)	Qty.	Value (Rs)
Processed ,Dyed & Finished Fabric (Woven)	1.07 Lac Mtr.	55,09,470	32.44 Lac Mtr.	14,94,80,598
Processed & Dyed Fabric (Hosiery)	453.854 MT	11,34,63,500	395.289 MT	7,54,36,200
Knitted FabricS	12.634 MT	5,05,360	449.645 MT	8,09,36,100
Garments	--	Nil	80,976 Pcs	1,21,46,400
		-----		-----
		11,94,78,330		31,79,99,298
		-----		-----



D) Particulars of Turnover

	<u>Current Year</u>		<u>Previous Year</u>	
	Qty	Value (Rs)	Qty.	Value (Rs)
Processed, Dyed and finished Fabric (Woven)	335.144 Lac Mtr	69,44,68,385	395.927 Lac Mtr	1,62,45,99,137
Processed Knitted Fabric	4,003.515 MT	93,07,61,720	5,496.082 MT	1,10,44,03,242
Knitting	158.685 MT	61,45,248	154.605 MT	75,46,449
Garments	80,976 Pcs*	30,36,600	2,73,050 Pcs	3,03,71,486
Others		8,24,828		99,41,238
		-----		-----
		1,63,52,36,781		2,77,68,61,552
		-----		-----

* Includes Nil for sampling (Previous year 5,680 Pcs.).

E) Raw Material Consumed

	<u>Current Year</u>		<u>Previous Year</u>	
	Qty	Value (Rs)	Qty.	Value (Rs)
Colour & Chemicals	--	13,13,46,533	--	13,35,59,430
Yarn	1850.380 MT	39,05,35,557	2293.689 MT	35,54,23,717
Fabrics	3,623.410 MT	94,47,38,635	8408.690 MT	2,11,32,60,095
Others	--	7,70,619	--	17,97,901
		-----		-----
		146,73,91,344		260,40,41,143
		-----		-----

F) Value of Imported / Indigenous Raw Material and Store & Spare Parts Consumed.

	<u>Current Year</u>		<u>Previous Year</u>	
	%	Value (Rs)	%	Value (Rs)
<u>Raw Material</u>				
Imported	--	--	--	--
Indigenous	100.00	146,73,91,344	100.00	260,40,41,143
		-----		-----
	100.00	146,73,91,344	100.00	260,40,41,143
		-----		-----
<u>Store & Spares</u>				
Imported	6.08	7,50,810	4.74	6,87,270
Indigenous	93.92	1,16,03,799	95.26	1,38,09,711
		-----		-----
	100.00	1,23,54,609	100.00	1,44,96,981
		-----		-----



G) Expenditure in Foreign Currency

	AS ON 31.03.2011	AS ON 31.03.2010
Store & Spares	7,50,810	6,87,270
Foreign Travelling	6,35,606	Nil
Commission & Claims	Nil	32,64,697
H) Earning in Foreign Currency		
FOB Value of Exports	Nil	2,59,18,986

AUDITOR'S REPORT

As per our report of even date attached

FOR M.M.GOYAL & CO.
Firm Regn. No. 007198N
Chartered Accountants

Sd/-
J.P.AGGARWAL
Chairman & Managing Director

Sd/-
VISHAL AGGARWAL
Joint Managing Director

Sd/-
M.M.GOYAL
Partner
Membership No.86085
New Delhi
May 28th 2011

Sd/-
ANIL JODHANI AGGARWAL
Chief Financial Officer

Sd/-
SUNIL KUMAR NAGAR
Company Secretary



STL GLOBAL LIMITED

PART -IV

BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE

FOR THE YEAR ENDED 31ST MARCH, 2011

I. REGISTRATION DETAILS

Registration No.	88667	55
CIN	L51909DL1997PLC088667	
Balance Sheet Date	31	03
	2011	

II CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousand)

Total Liabilities	3100538	Total Assets	3100538
-------------------	---------	--------------	---------

Sources of funds

Paid up Capital	272218	Reserves & surplus	760201
Secured Loans	2016624	Unsecured Loans	51495

Application of funds

Net Fixed Assets	851348	Investments	126
Net Current Assets	1408851	Misc Expenditure	422
Accumulated Losses	625157		

IV. PERFORMANCE OF COMPANY (Amount in Rs. Thousand)

Turnover	1635237	Total Expenditure	2388410
Profit before Tax	(753173)	Profit after tax	(524856)
Earning per share	(19.45)	Dividend Rate %	Nil

V. GENERIC NAMES OF THREE PRODUCTS/SERVICES OF THE COMPANY (As per monetary items)

Item Code No. (ITC Code)	Product Description
5212	Sale and Dyeing & Processing of woven fabric
6003	Sale and Dyeing and processing of knitted fabrics

On behalf of the Board

Sd/-
J.P.AGGARWAL
Chairman & Managing Director

Sd/-
VISHAL AGGARWAL
Joint Managing Director

Sd/-
ANIL JODHANI AGGARWAL
Chief Financial Officer

Sd/-
SUNIL KUMAR NAGAR
Company Secretary

New Delhi
May 28th 2011



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STL GLOBAL LIMITED

Unit No. 111, Block No. -1, 1st Floor, Tribhuwan Complex, Ishwar Nagar, New Delhi - 110 065

DP Id No.		Folio No.	
Client Id No.		No. of Shares	

ATTENDANCE SLIP

I/We hereby record my presence at the Fourteenth Annual General Meeting of the Company held on Thursday the 29th day of September 2011 at Conference Room-3, First Floor, India Corporate Centre, J2/B1 Extension, Mohan Cooperative, Mathura Road, New Delhi-110044, at 10:00 A.M.

NAME/S OF THE SHAREHOLDER (IN BLOCK LETTERS)	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER/PROXY	

Notes:

1. Member/s intending to appoint a Proxy, should complete the Proxy form below and deposit it at the registered office of the Company not later than 48 hours before the time of Commencement of the meeting.
2. A Proxy need not be a member.
3. A Proxy cannot speak at the meeting or vote on a show of hands.

..... (Tear Here)

STL GLOBAL LIMITED

Unit No. 111, Block No. -1, 1st Floor, Tribhuwan Complex, Ishwar Nagar, New Delhi - 110 065

DP Id No.		Folio No.	
Client Id No.		No. of Shares	

PROXY

I / We of in the district of being a member/members of STL GLOBAL LIMITED hereby appoint of or failing him..... of in the district of as my/our Proxy to attend and vote for me/us and on my/our behalf at the Fourteenth Annual General Meeting of the Company, to be held on Thursday the 29th day of September 2011 at 10:00 a.m. at Conference Room-3, First Floor, India Corporate Centre, J2/B1 Extension, Mohan Cooperative, Mathura Road, New Delhi-110044 and at any adjournment thereof.

Signed this day of 2011.

(Signature/s of the Shareholder's)

Note: The Proxy must be deposited at the Registered Office of the Company at Unit No. 111, Block No. - 1, 1st Floor, Tribhuwan Complex, Ishwar Nagar, New Delhi - 110065 not less than 48 hours before the time appointed for holding of the annual general meeting.

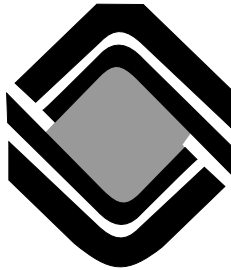


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Corporate Office

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Faridabad-121 006
Haryana, India