STERLING
GUARANTY & FINANCE LIMITED
CIN No. : L65990MH1983PLC031384

Date: 7th July 2021

The Department of Corporate Services
BSE limited
PJ tower, Dalal Street
Mumbai-400001

Ref: Scrip Code: 508963

Dear Sir/Madam,

Sub: Declaration or Statement of impact of Audit Qualification

This is in reference to your email dated July 06, 2021 on Declaration or Statement of Impact of Audit Qualification not submitted with respect to Auditor's Report on Standalone Financial Results of the company for the quarter and year ended March 31st 2021 is an un modified opinion. In this regard, please find declaration in Annexure –A.

STERLING
GUARANTY & FINANCE LIMITED
CIN No. : L65990MH1983PLC031384

ANNEXURE – A

DECLARATION

In terms of regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, read with SEBI circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that M/S J H Bhandari & Co, Chartered Accountants (FRN : 138960W), the Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on the audited financial results of the Company for the period ended on 31st March 2021

Kindly take the same on your record.

Yours Faithfully

For Sterling Guaranty & Finance Ltd.

Dharmen Mehta
Executive Director

STERLING GUARANTY & FINANCE LIMITED BOMBAY

REGD. OFFICE: 91-A, Mittal Court, Nariman Point, Mumbai – 400021
TEL: 91-22-22840019. Email: sterling.guaranty@gmail.com
Website: www.sterlingguaranty.com

STERLING
GUARANTY & FINANCE LIMITED

STERLING GUARANTY & FINANCE LIMITED

Regd. Office : 91-A, Mittal Court, Nairman Point, Mumbai 400 021
CIN NO : L65990MH1983PLC031384 Tel : 91 +22-22840019/22840029
Email : sterling.guaranty@gmail.com / website : www.sterlingguaranty.com

AUDITAED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2021

(Rs. in Lakhs except per share data)

Sl. No.	PARTICULARS	STANDALONE				(Rs. In Lacs)
		Quarter Ended			Year ended	
		31/03/2021	31/12/2020	30/09/2020	31.03.2021	31.03.2020
		Audited	Unaudited	Unaudited	Audited	Audited
	Revenue From Operations					
	Sale of Securities	-	-	-	-	1.39
	Interest Income	-	-	-	-	-
	Dividend Income	-	-	-	-	-
	Adivisory Income	1.50	1.50	1.50	5.50	
	Net gain (Loss) on fair value charges	-	-	-	-	-
	Other Operating Income	-	-	-	-	3.01
I	**Total Revenue from Operations**	1.50	1.50	1.50	5.50	4.40
II	**Other Income**	0.01	-	-	0.01	
III	**Total Income (i+ii)**	**1.51**	**1.50**	**1.50**	**5.51**	**4.40**
	Expenses:					
	Purchase of securities	-	-	-		0.01
	Finance Cost	-	-	-	0.01	-
	Net Loss on fair value changes	-	-	-		-
	Employee Benefit Expenses	1.77	0.91	1.30	5.11	5.50
	Depreciation, Amortization and impairment	-	-	-		-
	Other Expenses	4.42	1.80	1.70	9.12	16.91
VI	**Total Expenses**	**6.19**	**2.71**	**3.00**	**14.24**	**22.42**
V.	**Profit / (Loss) before tax (III-IV)**	**-4.69**	**-1.21**	**-1.50**	**-8.73**	**-18.02**
VI.	**Tax Expenses**	-	-	-	-	-
	Current Tax	-	-	-	-	-
	Deferred tax (Assets)/Liabilities	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-
VII.	**Net Profit/(Loss) for the Period (V-VI)**	**-4.69**	**-1.21**	**-1.50**	**-8.73**	**-18.02**
VIII	**Other Comprehensive Income**	-0.07	-	-	-0.07	-
	Total Comprehesive Income for the Period (VII+VIII)	**-4.76**	**-1.21**	**-1.50**	**-8.80**	**-18.02**
X	Paid up Share Capital (Face value Rs. 10/- per share)	653.76	653.76	653.76	653.76	653.76
XI	Reserves & Surplus (Excluding Revaluation Reserve) as per balance sheet of previous accounting year					-
XII	Earning per share (EPS) (Face Value of Rs. 10 each (Not Annualised) Basic / Diluted in Rs.)	(0.07)	(0.02)	(0.02)	(0.13)	(0.3)

For & on Behalf of Board of Directors of
STERLING GUARANTY & FINANCE LIMITED

MR. DHARMEN MEHTA
Director

STERLING GUARANTY & FINANCE LIMITED BOMBAY

Place : Mumbai
Date : 29th June 2021

STERLING GUARANTY & FINANCE LIMITED
Balance Sheet as on 31st March, 2021

Particulars	Note No.	31/03/2021	31/03/2020
ASSETS			
Non - Current Assets			
Propert, Plant and Equipment			
Capital Work-In-Progress			
Investment Properties			
Goodwill			
Other Intangible Assets			
Financial Assets			
Investmets		-	
Loans and Advances			
Other Financial Assets			
Deferred Tax Assets (Net)			
Other Non-Current Assets			
Total Non-Current Assets		-	-
Current Assets			
Inventories	1(a)	-	-
Financial Assets			
i. Investments			
ii. Trade Receivables		-	-
iii. Cash and Cash Equivalents	1(b)	10,94,990	1,05,075
iv. Loans and Advances	1(c)	1,21,115	92,881
v. Other Financial Assets			
Other Current Assets	1(d)	1,64,001	31,843
Assets classified as held for sale			
Total Current Assets		13,80,106	2,29,799
Total Assets		**13,80,106**	**2,29,799**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2(a)	6,53,76,000	6,53,76,000
Other Equity			
Reserves & Surplus	2(b)	(7,48,77,147)	(7,39,97,083)

i. Borrowings	3(a)	1,05,50,000	83,74,487
ii. Other Financial Liabilities	3 (b)	-	-
Provisions			
Employee Benefit Obligations			
Deferred Tax Liabilities			
Government Grants			
Other Non Current Liabilities			
Total Non Current liabilities		**1,05,50,000**	**83,74,487**
Current Liabilities			
Financial Liabilities			
i. Borrowings			
ii. Trade Payables			
iii. Other Financial Liabilities			
Provisions			
Employee Benefit Obligations			
Government Grants			
Current Tax Liabilities			
Other Current Liabilities	4	3,31,253	4,76,395
Liabilities directly associated with assets classified held for sale			
Total Current Liabilities		3,31,253	4,76,395

29 JUN 2021

29 JUN 2021

STERLING GUARANTY & FINANCE LIMITED
Statement of Profit and Loss for the 31st March, 2021

Particulars	Note No.	Year Ended 31/03/2021	Year Ended 31/03/2020
Revenue from Operations	5	5,50,000	3,88,967
Other Income	6	1,560	51,405
Other Gains/ (Losses)- Net		-	
Total income		**5,51,560**	**4,40,372**
Expenses			
Cost of Material consumed		-	-
Loss of stock-in-trade	7	-	75,392
Change in Inventories of work-in-progress, stock in trade and finished goods		-	-
Employee Benefits expenses		5,11,325	5,50,303
Finance Cost	8	1,030	33,005
Depreciation and Amortization expense		-	-
Other Expenses	9	9,12,320	15,83,238
Total Expenses		**14,24,675**	**22,41,938**
Profit/(loss) before exceptional items and tax		**(8,73,115)**	**(18,01,566)**
Exceptional Items			
Profit Before Tax		**(8,73,115)**	**(18,01,566)**
Income tax Expenses		-	-
- Current Tax		-	-
- Deferred Tax			
Profit (Loss) for the period from continuing operations		(8,73,115)	(18,01,566)
II. Profit (Loss) for the period		**(8,73,115)**	**(18,01,566)**

J. H. BHANDARI & CO. CHARTERED ACCOUNTANTS M.NO. 158095

STERLING GUARANTY & FINANCE LIMITED BOMBAY

Other comprehensive income		
Items that may be reclassified to profit or loss		
Changes in fairvalue of FVOCI debt instruments		
Deferred gains/(losses) on cash flow hedges		
Deferred cost of hedging		
Exchange differences on translation of foreign operations		
Other comprehensive income/(loss) arising from discontinued operations		
Net investment hedge gain		
Income tax relating to these items		
Items that may not be reclassified to profit or loss		
Changes in fairvalue of FVOCI equity instruments		
Deferred gains/(losses) on cash flow hedges		
Deferred cost of hedging		
Remeasurements of post employment benefit obligations		
Adjustment to Income tax paid Earlier		
Income tax relating to these items		
Other comprehensive income for the year, net of tax	(6,949)	-
Total comprehensive income for the year	(8,80,064)	(18,01,566)
Earnings per equity share		
Basic	-0.13	-0.028
Diluted	-0.13	-0.028

The accompanying notes form an integral part of the financial statements.

As per our Report of even date

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

J. H. BHANDARI & CO. M. NO. 158795 CHARTERED ACCOUNTANTS

Jinal Bhandari
Proprietor
M. No. 158795

Place: Mumbai
Date: 29 JUN 2021

For and on behalf of the Board

Dharmen Mehta
Chairman
DIN:36787

Rajankumar Shah
Director
DIN:8619751

Nandini Chauhan
Company Secretary
ACS No. A-45504

STERLING GUARANTY & FINANCE LIMITED BOMBAY

Place: Mumbai
Date: 29 JUN 2021

STERLING GUARANTY & FINANCE LIMITED

Cash Flow Statement for the year ended 31st March, 2021

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash flow from opearting activities		
Profit for the year	(8,73,115)	(18,01,566)
Adjustments for		
Depreciation and amortization expense		-
Interest on IT Refund	(1,560)	-
Decrease / (Increase) in Trade Receivables	-	
Decrease /(Increase) in Inventories	-	16,96,144
(Decrease) /Increase in Trade Payables	-	(6,47,408)
(Decrease) /Increase in Other Current liabilities	(1,45,143)	-
Decrease /(Increase) in Short Term Loans and Advances		22,715
Decrease /(Increase) in Other Current Assets	(1,32,158)	(11,42,985)
Cash generated from operations		
Income taxes paid	(35,183)	-
Interest on IT Refund	1,560	-
Net cash flow from operating activities	(11,85,599)	(18,73,100)
Cash flow from investing activities		
Purchase of property, plant and equipment	-	-
Purchase of investments	-	-
Proceeds from sale of plant, property and equipment	-	-
Proceeds from sale of investment	-	-
Repayment of loans by employees and related parties	-	-
Net cash flow from investing activities	-	-
Cash flow from financing activities		
Proceeds from issue of shares	-	-
Proceeds from borrowings	21,75,513	-
Share issue costs	-	-
Repayment of borrowings		16,25,513
Finance lease payments		
Interest paid		
Dividends paid to company shareholders		
Net cash flow from financing activities	21,75,513	16,25,513
Net increase/ decrease in cash and cash equivalents	9,89,914	(2,47,587)
Cash and cash equivalents at beginning of the financial year	1,05,075	3,52,662
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at end of the year	10,94,990	1,05,075

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

	31 March 2021	31 March 2020
Cash and cash equivalents (note 13b)	10,94,990	1,05,075
Bank Overdrafts (note 30b)		
Balances as per statement of cash flows	10,94,990	1,05,075

The accompanying notes form an integral part of the financial statements

As per our Report of even date

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Jinal Bhandari
Proprietor
M. No. 158795

Place: Mumbai
Date:

For and on behalf of the Board

Dharmen Mehta
Chairman
DIN:36787

Rajankumar Shah
Director
DIN:8619751

Nandini Chauhan
Company Secretary
ACS No. A-45504

Place: Mumbai
Date:

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hanges in equity for the year ended 31st March, 2021

A. Equity share capital

Particulars	Notes	
As at 1 April 2019		
Changes in equity share capital	2	6,53,76,000
As at 31 March 2020		-
Changes in equity share capital	2	6,53,76,000
As at 31 March 2021		-
		6,53,76,000

B. Other equity

Particulars	Re	Other Equity				Total
	Retair	serves and Surplus		Other comprehensive income		
	ied Earnings	Securities premium account	Statutory reserve	Equity Instruments through other comprehensive income	Other items of othe comprehensive	
Balance as at April 1, 2019	(8,39,49,059)	1,04,88,542	12,65,000	-		(7,21,95,517)
Profit for the year	(18,01,566)	-	-	-		(18,01,566)
Other comprehensive income	-	-	-	-		-
Total comprehensive income for the year	(8,57,50,625)	1,04,88,542	12,65,000	-		(7,39,97,083)
Remeasurement of the net defined benefit liability/asset	-		-	-		-
Fair value changes on derivatives designated as cash flow hedge	-		-	-		-
Fair value changes on investments, net	-		-	-		-
Equity instruments through other comprehensive income	-		-	-		-
Transactions with owners in their capacity as owners:						
Issue of equity	-					
Dividends paid	-		-	-		-
Employee stock option expense	-		-	-		-
Balance as at 31 March, 2020	(8,57,50,625)		-	-		-
		1,04,88,542	12,65,000	-		(7,39,97,083)

J. H. BHANDARI & CO. M. No. 158795 CHARTERED ACCOUNTANTS

STERLING GUARANTY & FINANCE LIMITED BOMBAY

Particulars	Other Equity					Total
	Reserves and Surplus			Other comprehensive income		
	Retained Earnings	Securities premium account	Statutory reserve	Equity Instruments through other comprehensive income	Other items of other comprehensive	
Balance as at April 1, 2020	(8,57,50,625)	1,04,88,542	12,65,000	-	-	(7,39,97,083)
Profit for the year	(8,80,064)	-	-	-	-	(8,80,064)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	(8,66,30,689)	1,04,88,542	12,65,000	-	-	(7,48,77,147)
Remeasurement of the net defined benefit liability/asset	-		-	-	-	-
Fair value changes on derivatives designated as cash flow hedge			-	-	-	-
Fair value changes on investments, net	-		-	-	-	-
Equity instruments through other comprehensive income	-		-	-	-	-
Transactions with owners in their capacity as owners:						
Issue of equity	-		-	-	-	-
Dividends paid	-		-	-	-	-
Employee stock option expense	-		-	-	-	-
Balance as at 31 March, 2021	(8,66,30,689)	1,04,88,542	12,65,000	-	-	(7,48,77,147)

The accompanying notes form an integral part of the financial statements.

As per our Report of even date

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Jinal Bhandari
Proprietor
M. No. 158795

Place: Mumbai
Date: 29 JUN 2021

For and on behalf of the Board

Dharmen Mehta
Chairman
DIN:36787

Rajankumar Shah
Director
DIN:8619751

Nandini Chauhan
Company Secretary
ACS No. A-45504
Place: Mumbai
Date: 29 JUN 2021

STERLING GUARANTY & FINANCE LIMITED
Notes to the financial statements for the year ended March 31, 2021

Note No.1- Corporate Information

The Company is an active company and is carrying out financial services business. The Company had total income of Rs 5.51 lacs (Previous year 4.40 lacs). The Company has interest free borrowings from the promoter company Sterling Investments (India) Ltd. of Rs 105.50 Lacs as on date (Previous Year Rs. 80.70 Lacs). The Company has done total expenses of Rs 14.24 Lacs (previous year Rs. 22.41 Lacs).

The Reserve Bank of India by its letter dated 17/02/2016 had advised the company to surrender the Certificate of Registration (COR) Bearing no. 13.01229 dated on 20/04/1999 for lack of Prescribed NOF which is surrendered on 03/04/2018. The Company has temporarily made investment in shares of its surplus funds. All market investments/shares/stock has been liquidated by year end. The Company has not been doing any NBFI business as per the direction issued by the RBI. The company is not having any public deposit nor any public finance outstanding as on 31/03/2021. During the year equity shares of the company are demated (ISIN No. INE668Y01016). Promoters holding is 47.69% (No. of shares 3117806) out of this no. of shares 3117806 i.e. 100% has been demated.

Note No. 2: Significant Accounting Policies

i) Statement of Compliance

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act except for Ind AS 19 - Retirement Benefits

ii) Basis of Accounting

The accounts of the company are prepared under the historical convention using accrual method of accounting. There has been no change in the method of accounting as compared to preceding previous year.

iii) Property, Plant and Equipment :

The Company does not own any Fixed Assets. Thus, no Depreciation is provided.

iv) Impairment of Assets :

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

v) Revenue recognition :

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and the revenue recognition criteria have been complied.

vi) Retirement Benefits :

Compensation payable to employees retired is charged out in full in the year in which such expenditure is incurred. No provision has been made in the books of accounts of the Company on account of retirement benefits of the employees, in accordance with the Ind AS-19, as the same is made on cash basis and shall be provided in the books of the company as and when paid.

vii) Inventories :

Inventories are valued at Fair Value as per applicable Indian Accounting Standards. There is not stock in trade of shares at the year end.

viii) Foreign Currency Transactions :

Initial Recognition:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Conversion:

At the year end, monetary items denominated in foreign currencies are converted into rupee equivalents at the year end exchange rates.

Exchange Differences:

All exchange differences arising on settlement and/or conversion on foreign currency transaction are included in the Profit & Loss Account.

ix) Taxation:

a) Provision for Current Tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by the tax rates as applicable.

b) No Deferred Tax Assets are created in the books of the company as in the opinion of the management, they are not reasonably certain that there will be sufficient future income to recover such Deferred Tax Assets.

x) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

J. H. BHANDARI & CO. M. NO. 158795 CHARTERED ACCOUNTANTS

STERLING GUARANTY & FINANCE LIMITED BOMBAY

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xii) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks and Bank Overdraft.

xiii) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Fair value of financial assets and financial liabilities

All financial assets and liabilities are carried at amortised cost.

The management consider that the carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair value as on March 31, 2021.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on Financial assets measured at amortised cost and trade receivables.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

xiv) Related Party Disclosure:

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

a) List of related parties with whom transactions have taken place and relationship:

Sr.No.	Name of the Related Party	Relationship
1	Dhiren Mehta	Father of the Chairman
2	Sterling Investments (India) Limited	Company in which director is a director
3	Indistock Securities Limited	Company in which director is a director
4	GI Power Corp Ltd	Company in which director is a director

b) Transaction during the year with related parties:

LOAN TAKEN

Name	Opening	Taken	Repaid	Closing
Dhiren Mehta	1,50,000	-	1,50,000	-
Previous Year	-	1,50,000	-	1,50,000
Sterling Investments (India) Ltd	80,70,000	24,80,000		1,05,50,000
Previous Year	1,00,00,000	35,00,000	54,30,000	80,70,000
	82,20,000	24,80,000	1,50,000	1,05,50,000

OTHER TRANSACTIONS

	Nature	Volume of transaction (Net) (Rs.)		Balance at the year end (Rs.)	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Indistock Securities Limited	Purchase Of Securities (Broker)	-	17,04,98,014	-	20,286
	Sale Of Securities (Broker)	-	17,22,95,236		
	Reimbursement Of				

xv) OTHER NOTES

a) Expenditure in foreign currency during the financial year on account of :
Foreign Traveling Expenses – (Rs. Nil)

b) Critical accounting judgements and key sources of estimation uncertainties:
The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c) Trade Payables:
Unpaid amount as on 31.03.2021 to Micro, Small and Medium Enterprises Development Act, 2006 is NIL.

d) Provision for Bad & doubtful Debts is made based on the RBI guidelines to Non-Banking Financial Companies Prudential Norms.

e) The Company is not an NBFC w.e.f. 03-04-2018 date on which COR No. 13.01229 dated 20-04-1999 has been surrendred to RBI.

f) Earning Per Share (EPS) - EPS is calculated by dividing the Profit / (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

	For the year March 31, 2021	For the year March 31, 2020
Profit / (Loss) after ta	(8,73,114.54)	(18,01,565.96)
Weighted Number of Shares (nos.)	65,37,600	6,53,76,000
EPS (Rs.)		
Basic/Diluted Earning Per Share (Rs.)	(0.13)	(0.028)
Face value per share	10.00	10.00

xvi) Although the Company has surrendered COR of NBFC, as it is yet not cancelled by RBI technically the Company yet reminas NBFC till then. The Company yet remains NBFC till then. The Company is dealing in Shares and Derivatives as Investments and therefore its not in business of Securities trading and does not come under Sec-45-I (c) of the RBI Act. The Company has not done any Leasing and Hire Purchase business in F.Y. 2020-21.

xvii) Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements, has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and, based on the current estimates, expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

As per our Report of even date
For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Jitendra Bhandari
Proprietor
M. No. 150745

Place: Mumbai
Date: 29 JUN 2021

For and on behalf of the Board

Dharmen Mehta
Chairman
DIN:36787

Rajankumar Shah
Director
DIN:8619751

Nandini Chauhan
Company Secretary
ACS No. A-45504

Place: Mumbai
Date: 29 JUN 2021

1 a) Inventories

Particulars	No of Shares	31 March, 2021	31 March, 2020
Stock In Trade Quoted Preference Shares : Valued at Fair Value	-	-	-
Fair Value Of Total Financial Assets	-	-	-
Cost of the Above Financial Assets	-	-	-

Note: Stock in Trading Securities valued at Fair Value

1 b) Cash and cash equivalents

Particulars	31 March, 2021	31 March, 2020
Balances with banks		
- in current accounts	10,91,895	86,005
- in EEFC account	-	-
Deposit with maturity of more than three months @7.4% p.a	-	-
Cash on hand	3,095	19,070
Total cash and cash equivalents	10,94,990	1,05,075

1 c) Loans & Advances

Particulars	31 March, 2021	31 March, 2020
Advance Tax & TDS		
- Advance Tax for Ass. Yr. 21-22	55,000	0
- Advance Tax for Ass. Yr. 20-21	-	26,766
- T D S for Ass. Yr. 19.20	66,115	66,115
Total loans and advances	1,21,115	92,881

1 d) Other Current Assets

Particulars	31 March, 2021	31 March, 2020
Other Current Assets		
- Margin with Stock Broker	-	20,287
- Indistock Secueities Ltd	2,001	-
- Advisory Fees Receivable	1,62,000	-
- Interest Receivable	-	11,556
Total Other Current Assets	1,64,001	31,843

2) Equity

2 a) Equity Share Capital

(i) Movement in equity share capital

Particulars	Number of shares	Amount
As at 1 April 2019	6,53,76,000	6,53,76,000
Issued during the year		
As at 31 March 2020	6,53,76,000	6,53,76,000
Increase during the year		
As at 31 March 2021	6,53,76,000	6,53,76,000

(ii) Details of shares held by each shareholders holding more than 5%

Particulars	31 March, 2021		31 March, 2020 & 1st April, 2019	
	No. of shares	% holding	No. of shares	% holding
Dhiren Dhirajlal Mehta	6,36,881	9.74%	6,36,881	9.74%
Indistock Securities Ltd	8,27,550	12.66%	8,27,550	12.66%
Sterling Investments (India) Ltd	10,47,872	16.03%	10,47,872	16.03%

2. b) Reserves and surplus

Particulars	31 March 2021		31 March 2020	
Securities Premium Account		1,04,88,542		1,04,88,542
Statutory Reserve u/s 45IC of RBI Act		12,65,000		12,65,000
Retained earnings				
Opening balance	(8,57,50,625)		(8,39,49,059)	
Profit /Loss for the year	(8,80,064)	(8,66,30,689)	(18,01,566)	(8,57,50,625)
		(7,49,77,147)		(7,39,97,083)

3 Financial Liabilities

3(a) Non Current Borrowings

Particulars	Interest Rate	31 March, 2021	31 March, 2020
Secured			
Term loans			
Banks			
Other parties			
Deposits			
Unsecured			
From Director			
Dhiren Mehta		-	1,50,000
From Other			
Indistock Securities Ltd		-	1,54,487
Sterling Investments (India) Ltd (Promotor)	-	1,05,50,000	80,70,000
Total Non Current Borrowings		**1,05,50,000**	**83,74,487**

3(b) Current Borrowings

Particulars	Interest Rate	31 March, 2021	31 March, 2020
Loans repayable on demand from Banks			
Secured			
HDFC Bank - Overdraft Facility	0.00%	-	-
(Secured against pledge of Bank Fixed Deposit Receipt)			
Total current borrowings		-	-

4) Other Current Liabilities

Particulars	31 March, 2020	31 March, 2019
Statutory Tax payables	3,970	24,864
Audit Fees Payable	15,000	11,800
Outstanding Laibilities for Expenses	3,12,283	4,39,731
Total Other Current Liabilities	**3,31,253**	**4,76,395**

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STERLING GUARANTY & FINANCE LIMITED BOMBAY

5) Revenue from operations

Particulars	31 March, 2021	31 March, 2020
Profit on sale of Securities (Derivatives)	-	1,38,967
Advisory Fees Received	5,50,000	2,50,000
Total Revenue from Operations	5,50,000	3,88,967

6) Other Income

Particulars	31 March, 2021	31 March, 2020
Interest on IT refund	1,560	
Dividend Income	-	9,275
Bank Interest	-	42,130
Total Other Income	1,560	51,405

7) Purchase of Stock- in- Trade

Particulars	31 March, 2021	31 March, 2020
Loss on Sale of Securities (CM)	-	75,392
Purchase of Stock- in- Trade (Cash Market)	-	
Total Other Income	-	75,392

8) Finance Cost

Particulars	31 March, 2021	31 March, 2020
Bank Interest Paid	1,030	33,005
Total	1,030	33,005

9) Other Expenses

Particulars	31 March, 2021	31 March, 2020
Annual Listing & Registration Fees	4,07,100	4,74,360
Payment to Auditors (note 9.a)	40,800	11,800
Legal & Professional Fees	32,300	2,03,300
Miscellaneous Expenses	56,881	54,542
Telephone, Postage Expense	9,224	1,91,088
Printing and stationery	1,56,725	2,72,842
Directors Sitting Fees	30,000	30,000
Travelling Expenses	12,000	40,607
Avertising expenses	1,28,344	-
Bank Charges	647	85
Press Realase Expenses	2,950	-
Other Charges (CDSL, NSDL, RTA Charges)	25,349	2,90,810
ROC Filing fees	10,000	10,900
Demat Charges	-	2,904
Total	9,12,320	15,83,238

9. a) Details of payment to auditors

	31 March, 2021	31 March, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Members of Sterling Guaranty & Finance Limited

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sterling Guaranty & Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except Ind AS – 19 Retirement Benefits.

e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Place: **Mumbai**
Date: 29th June, 2021
UDIN 21158795AAAAAF9719

Jinal Bhandari
Proprietor
Membership No: 158795

J.H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

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Annexure - A to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with my audit of the standalone financial statements of the Company as of and for the year ended 31 March, 2021, I have audited the internal financial controls over financial reporting of **STERLING GUARANTY & FINANCE LIMITED** ("the Company") in conjunction with my audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

J. H. BHANDARI & CO. M. NO. 158795 CHARTERED ACCOUNTANTS

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the

29th June, 2021

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J.H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

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"Annexure B" to the Independent Auditors' Report

The Annexure referred to in paragraph 1 of my Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2021, I report that:

(i) The Company does not have any fixed assets and hence the reporting requirements contained in clause 4(i) of the order regarding inventory are not applicable to the company.

(ii) The Company has dealt into inventories i.e. shares and securities which cannot be physically verified as they are in D-mat form. However, as per the information given to us by the management, the company has maintained proper records of inventories and no material discrepancies were noticed on verification of inventories from D-mat Statement as compared to book records.

(iii) In my opinion and according to the information and explanations given to me, the company has not granted any loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of Clause 3(iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In my opinion and according to the information and explanations given to me, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities as applicable.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

(vii) (a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to me, the Company did not have any dues on account of duty of excise, sales tax, duty of customs, service tax or any other statutory dues outstanding for more than 6 months.

(b) According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

J.H. BHANDARI & CO. M NO. 158795 CHARTERED ACCOUNTANTS

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(viii) As per the information and explanation given to me, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.

(ix) As per the information and explanation given to me, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to me, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of my audit.

(xi) According to the information and explanations give to me and based on my examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3 (xi) of the Order is not applicable.

(xii) In my opinion and according to the information and explanations given to me, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to me and based on my examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to me and based on my examination of the records of the Company, the Company has not made any preferential allotment during the year which is prejudicial to the interest of the company.

(xv) According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For JH Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Jinal Bhandari
Partner
Membership No: 158795

Place : **Mumbai**
Date : 29th June, 2021
UDIN 21158795AAAAAF9719

J. H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

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AUDITORS OPINION REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

[Pursuant to Clause E of Part C of Schedule V of Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Sterling Guaranty & Finance Limited

We have examined the compliance of conditions of Corporate Governance by Sterling Guaranty & Finance Limited for the year ended 31st March 2021 as stipulated in the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance of 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 according to the explanations provided to us and the representations provided by the Management, we certify that the company has compiled with the conditions of Corporate Governance as stipulated under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year ended 31st March, 2021.

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