



CIN No. : L65990MH1983PLC031384

Date: 07.09.2020

To,
BSE LIMITED
The Corporate Relationship Manager,
Department of Corporate Services,
BSE Ltd. P J Towers,
Dalal Street, Mumbai - 400001

Ref: Scrip Code - 508963

Sub: Submission of 36th Annual Report for the financial year 2019-20 for Sterling Guaranty & Finance Limited

Dear Sir,

In accordance with the Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 we enclose herewith a copy of the Annual Report for the year 2019-20.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Sterling Guaranty & Finance Limited

Nandini Chavan
Company Secretary & Compliance Officer

REGD. OFFICE: 91-A, Mittal Court, Nariman Point, Mumbai – 400021

TEL: 91-22-22840019. Email: sterling.guaranty@gmail.com

Website: www.sterlingguaranty.com

- 3/9 FPI - mum



FULLERTON INDIA HOME FINANCE COMPANY LIMITED
 Corporate Office: Floor 5 & 6, B-Wing, Supreme IT Park, Supreme City, Powai, Mumbai - 400076.
 Regd. Office: Megh Towers, Floor 3, Old No. 307, New No. 165, Poonamallee High Road,
 Maduravoyal, Chennai - 600095.

SALE NOTICE FOR SALE OF IMMOVABLE PROPERTIES

E-AUCTION SALE NOTICE FOR SALE OF IMMOVABLE ASSETS UNDER THE SECURITISATION AND RECONSTRUCTION OF FINANCIAL ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT, 2002 READ WITH PROVISIO TO RULE 8 (6) AND 9(1) OF THE SECURITY INTEREST (ENFORCEMENT) RULES, 2002.

Notice is hereby given to the public in general and in particular to the Borrower(s) and Guarantor(s) that the below listed immovable properties ("Secured Assets") mortgaged / charged to the Secured Creditor, the Possession of which has been taken by the Authorised Officer of Fullerton India Home Finance Company Limited ("Secured Creditor"), will be sold on "As is where is", "As is what is" and "Whatever there is" on the date and time mentioned herein below, for recovery of the dues mentioned herein below and further interest and other expenses thereon till date of realization, due to Fullerton India Home Finance Company Limited / Secured Creditor from the Borrower(s) and Guarantor(s).

Place: Mumbai
 Date: 04-09-2020
 Authorized Officer,
 Fullerton India Home Finance Company Limited



STERLING GUARANTY & FINANCE LIMITED

Corporate Identity Number: L65990MH1983PLC031384
 Registered Office: 91-A, Mittal Court, Nariman Point, Mumbai 400 021
 TEL: 91-22-22840019. Email: sterling.guaranty@gmail.com. Website: www.sterlingguaranty.com

NOTICE OF THE 36TH ANNUAL GENERAL MEETING AND VOTING INFORMATION

NOTICE is hereby given that the 36th Annual General Meeting ('AGM' or 'Meeting') of the Members of Sterling Guaranty & Finance LIMITED ('the Company') will be held on Tuesday, September 29, 2020 at 11.00 a.m. (IST) through Video Conferencing ('VC') facility / other audio visual means ('OAVM') ONLY, to transact the business as set out in the Notice of the AGM. In compliance with General Circular ("GC") No. 20/2020 dated May 5, 2020 read with GC No. 14/2020 dated April 8, 2020 and GC No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) and SEBI Circular dated May 12, 2020, the companies are allowed to hold AGM through VC/OAVM without physical presence of the Members at a common venue.

In accordance with the aforementioned Circular, electronic copies of Annual Report containing Notice of the AGM for the Financial Year 2019-20 (AR) will be circulated, to all the members whose e-mail ids are registered with the Company/Depository Participants (DP)/ Registrar and Share Transfer Agent (RTA). The requirement of sending physical copies of the Notice of the AGM has been dispensed with vide MCA Circulars and the SEBI Circular.

The Annual Report 2019-20 of the Company, inter alia, containing the Notice and the Explanatory Statement of the 36th AGM is available on the website of the Company at www.sterlingguaranty.com and on the websites of the Stock Exchanges viz. www.bseindia.com. A copy of the same is also available on the website of Central Depository Services (India) Limited ('CDSL') at www.evoting.cdsl.com.

Remote e-Voting: In compliance with Section 108 of the Companies Act, 2013 ('the Act') read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to its Members the facility of remote e-Voting before as well as during the AGM in respect of the business to be transacted at the AGM and for this purpose, the Company has appointed CDSL for facilitating voting through electronic means.

The detailed instructions for remote e-Voting are given in the Notice of the AGM. Members are requested to note the following:

a. The remote e-Voting facility would be available during the following period:

| | |
|---------------------------------|--|
| Commencement of remote e-Voting | From 9.00 a.m. (IST) on Saturday, September 26, 2020 |
| End of remote e-Voting | Upto 5.00 p.m. (IST) on Monday, September 28, 2020 |

The remote e-Voting module shall be disabled by CDSL for voting thereafter and Members will not be allowed to vote electronically beyond the said date and time;

b. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on Tuesday, September 22, 2020 ('Cut-Off Date'). The facility of remote e-Voting system shall also be made available during the Meeting and the Members attending the Meeting, who have not already cast their vote by remote e-Voting shall be able to exercise their right during the Meeting. A person whose name is recorded in the Register of Members / Register of Beneficial Owners as on the Cut-Off Date only shall be entitled to avail the facility of remote e-Voting before / during the AGM;

c. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holds shares as on the Cut-Off Date, may obtain the login-id and password for remote e-Voting by sending a request at evoting@cdsl.co.in or info@kaarva.co.in, as provided by the company. A person who is not a Member as on the Cut-Off Date should treat the Notice of the AGM for information purposes only.

d. Members who have cast their vote by remote e-Voting prior to the Meeting may also attend the Meeting electronically, but shall not be entitled to vote again.

Registration of Email addresses:

Members who have not yet registered their e-mail addresses are requested to follow the process mentioned below, before 5:00 p.m. (IST) on Tuesday, September 22, 2020, for registering their e-mail addresses to receive the Notice of the AGM and Annual Report 2019-20 electronically and to receive login ID and password for remote e-Voting:

| | |
|---|--|
| a | Mail it on sterling.guaranty@gmail.com |
| b | Enter the DP ID & Client ID / Physical Folio Number and PAN details. In the event, if the PAN details are not available on record for Physical Folio, Member to enter one of the share certificate numbers |
| c | Enter your email address and mobile number |

The above system also provides a facility to the Members holding shares in physical form to upload a self-attested copy of their PAN Card, if the PAN details are not updated in accordance with the requirements prescribed by SEBI. For permanent registration of their email address, Members holding shares in demat form are requested to update the same with their Depository Participant and to Registrar for Members holding shares in physical form.

Notice is further given that pursuant to Section 91 of the Act and the Rules framed thereunder, the Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 23, 2020 to Tuesday, September 29, 2020 (both days inclusive) for the purpose of 36th AGM.

Place: Mumbai
 Date: 05-09-2020
 For Sterling Guaranty & Finance Limited
 Sd/-
 Nandini Chavan
 Company Secretary

BENTLEY COMMERCIAL ENTERPRISES LIMITED



Regd. Off: 2nd Floor, Viraj towers,
 Near Landmark, Western Express Highway,
 Andheri (E), Mumbai- 400069.
 CIN:L65990MH1995PLC089838

NOTICE

Notice is hereby given that a due to unavoidable circumstances, the meeting of Board of Directors of the Company which as scheduled on Thursday, 3rd September 2020 has been rescheduled to Saturday, 12th September 2020 at 11.00 a.m. (IST).



Registered Office: Bombay Life
 Telephone: +91
 Corporate Office: 131 Maker To
 Telephone:
 Email: lichousing

NOTICE OF THE THIRD ANNUAL GENERAL MEETING AND VOTING INFORMATION

NOTICE is hereby given that the 3rd Annual General Meeting ('AGM' or 'Meeting') of the Members of LIC Housing Finance Limited ('the Company') will be held on Tuesday, September 29, 2020 at 11.00 a.m. (IST) through Video Conferencing ('VC') facility / other audio visual means ('OAVM') ONLY, to transact the business as set out in the Notice of the AGM. In compliance with General Circular ("GC") No. 20/2020 dated May 5, 2020 read with GC No. 14/2020 dated April 8, 2020 and GC No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) and SEBI Circular dated May 12, 2020, the companies are allowed to hold AGM through VC/OAVM without physical presence of the Members at a common venue.

In accordance with the aforementioned Circular, electronic copies of Annual Report containing Notice of the AGM for the Financial Year 2019-20 (AR) will be circulated, to all the members whose e-mail ids are registered with the Company/Depository Participants (DP)/ Registrar and Share Transfer Agent (RTA). The requirement of sending physical copies of the Notice of the AGM has been dispensed with vide MCA Circulars and the SEBI Circular.

The Annual Report 2019-20 of the Company, inter alia, containing the Notice and the Explanatory Statement of the 3rd AGM is available on the website of the Company at www.lichousing.com and on the websites of the Stock Exchanges viz. www.bseindia.com. A copy of the same is also available on the website of Central Depository Services (India) Limited ('CDSL') at www.evoting.cdsl.com.

Remote e-Voting: In compliance with Section 108 of the Companies Act, 2013 ('the Act') read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to its Members the facility of remote e-Voting before as well as during the AGM in respect of the business to be transacted at the AGM and for this purpose, the Company has appointed CDSL for facilitating voting through electronic means.

The detailed instructions for remote e-Voting are given in the Notice of the AGM. Members are requested to note the following:

- Date of completion of Sending the Notice of the AGM and Annual Report 2019-20: 05th September, 2020
- Date and time of commencement of the AGM: 25th September, 2020 at 09.00 a.m. (IST)
- Date and time of end of remote e-Voting: at 5.00 p.m. and thereafter, the AGM shall be held at LIC Housing Finance Limited (LIIFL).
- The Members who have cast their vote by remote e-Voting prior to the Meeting may also attend the Meeting electronically, but shall not be entitled to cast their vote through e-voting shall be allowed to attend the Meeting electronically.
- Shri P. S. Gupchup, Practicing Company Secretary, Certificate of Practice No.: 9900, is authorized to conduct the e-voting process as well as voting.
- The Scrutinizer shall after the completion of the AGM and thereafter unblock the e-voting facility.

एजीएमची सूचना व एजीएममध्ये उपस्थित राहण्याकरिता प्रक्रिया यांच्यासह व्हीसी व ई-मतदान सभासदांना इलेक्ट्रॉनिक स्वरूपात कंपनीची वेबसाइट www.igenesys.com वर उपलब्ध आहे व सेंट्रल डिपॉझिटरी सर्व्हिसेस (इंडिया) लिमिटेड <https://www.evotingindia.com> वर उपलब्ध आहे.

ई-मतदानासंदर्भातील कोणत्याही चौकशी वा पुढ्याकरिता कृपया www.evotingindia.com वर help section अंतर्गत उपलब्ध Frequently Asked Questions (FAQs) व e-voting manual पाहणे किंवा helpdesk.evoting@cdslindia.com वर ई-मेल पाठवावा किंवा सीडीएलएलद्वारे पुरविण्यात आलेला टोल फ्री क्र. १८००२००५५३३ वर संपर्क साधावा.

कंपन्या कायदा, २०१३ चे अनुच्छेद ११ सहवाचन त्याअंतर्गत संस्थापित नियम तसेच सेबी (सूची अनिवायता व विमोचन आवश्यकता) विनियम, २०१५ च्या विनियमन ४२ अंतर्गत सभासदांचे रजिस्ट्रार व शेअर ट्रान्स्फर ब्रुस मंगळवार, दि. २२ सप्टेंबर, २०२० ते सोमवार, दि. २८ सप्टेंबर, २०२० (दोन्ही दिवस समाविष्ट) दरम्यान एजीएमच्या निमित्ताने व पात्र सभासदांच्या लाभांशाच्या निश्चितीकरिता बंद राहिली.

संबंधित नियमांतर्गत निर्धारित केल्यानुसार मतदानाचा निकाल घोषित करण्यात येईल व तो कंपनीच्या वेबसाइटवरही प्रदर्शित करण्यात येईल.

जेनेसी इंटरनॅशनल कॉर्पोरेशन लिमिटेडकरिता
सही/-
विनीत चोप्रा
अध्यक्ष - विधी व
कंपनी सचिव

दिनांक : ०४ सप्टेंबर, २०२०
ठिकाण : मुंबई

नाव : नरेंद्र कुईया
संचालक
दिनांक : ०२/०९/२०२०
डीआयएन : ०१२२८३१२

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लिमिटेड

१९६
(शिम), मुंबई ४०० ०५३
१७९६
commercialent.in

सांसंधीची सूचना

३५वी वार्षिक सर्वसाधारण सभा मंगळवार, साई रोड, अंधेरी (पश्चिम), मुंबई - ४०० न करण्यात येणार आहे.

प्रशासन) नियम, २०१४ ('नियम') मधील अतिरिक्त विवरणे आणि संचालक मंडळाच्या सभासदांना त्यांच्या नोंदणीकृत पत्त्यावर धक आणि भाग हस्तांतरण अभिकर्ता, लिंक इलेक्ट्रॉनिक माध्यमातून पाठविण्यात आलेले ४ सप्टेंबर, २०२० रोजी पूर्ण केलेले आहे. कंपनीच्या संकेतस्थळावर, म्हणजेच <https://instavote.linkintime.co.in/> वर बीएसई लिमिटेडच्या www.bseindia.com

ग्यारमॅट्स) रेग्युलेशन्स, २०१५ ('लिस्टिंग तातंरण पुस्तिका, वार्षिक सर्वसाधारण सभेस २२ सप्टेंबर, २०२० पासून मंगळवार, रेग्युलेशन ४४ व इन्स्टिट्यूट ऑफ कंपनी -२) यांच्या सहवाचनांतर्गत, कंपनी आपल्या वावर त्यांचे मत देता यावे म्हणून त्यासाठी उपलब्ध करून देत आहे.

सर्वसाधारण सभेच्या ठिकाणी मतपत्रिकांच्या तारीख' निश्चित केलेली आहे. माहेत आणि त्या एलआयआयपीएल यांच्या पलब्ध आहेत.

३ सोमवार, दिनांक २८ सप्टेंबर, २०२० रोजी तारीख आणि वेळोत्तर सभासदांना इलेक्ट्रॉनिक की ते त्यांतर्गत बदलता येणार नाही.

देनांक २९ सप्टेंबर, २०२० रोजी ('अंतिम रांच्या नोंदवहीत किंवा लाभांशी मालकांच्या वार्षिक सर्वसाधारण सभेत मतपत्रिकेच्या न अंतिम तारखे, म्हणजेच सोमवार, दिनांक वेन्ती पाठवून लॉगिन आयडी आणि पासवर्ड कृत असेल, तर ती तिचे मत देण्यासाठी तिचा स उपस्थित राहू शकतात, पण त्यांना वार्षिक सुविधा वार्षिक सर्वसाधारण सभेच्या ठिकाणी ल ई-व्होटिंग) योग्य आणि पारदर्शकपणे पार लेल्या इतर कोणत्याही व्यक्तीकडे, वार्षिक राने मेसर्स राठी अँड असोसिएट्स प्राॅक्टिसिंग No. 3030) यांची नियुक्ती केलेली आहे.

दिलेल्या सूचना पाहू शकतात. ई-व्होटिंगशी लिंक इनटोईम इंडिया प्रायव्हेट लिमिटेड, ८३ यांच्याशी त्यांच्यासाठी दिलेल्या ६ या दूरध्वनी क्रमांकावर किंवा कंपनीच्या कर्मिअल एंटरप्रायझेस लिमिटेड करिता सही/- मीनाक्षी जे. भंसाली संचालक आणि कंपनी सचिव

STERLING GUARANTY & FINANCE LIMITED
Corporate Identity Number: L65990MH1983PLC031384
Registered Office : 91-A, Mittal Court, Nariman Point, Mumbai 400 021
TEL: 91-22-22840019. Email: sterling.guaranty@gmail.com. Website: www.sterlingguaranty.com

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| a | Mail it on sterling.guaranty@gmail.com |
| b | Enter the DP ID & Client ID / Physical Folio Number and PAN details. In the event, if the PAN details are not available on record for Physical Folio, Member to enter one of the share certificate numbers |
| c | Enter your email address and mobile number |

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Notice is further given that pursuant to Section 91 of the Act and the Rules framed thereunder, the Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 23, 2020 to Tuesday, September 29, 2020 (both days inclusive) for the purpose of 36th AGM.

Place: Mumbai
Date: 05-09-2020

For Sterling Guaranty & Finance Limited
Sd/-
Nandini Chavan
Company Secretary

Navshakti - mumm - 519



STERLING
GUARANTY & FINANCE LIMITED
CIN No.: L65990MH1983PLC031384

ANNUAL REPORT AND ACCOUNTS – 2019-2020



AUDITED ACCOUNTS 2019-20

| | |
|---|--|
| Board of Directors: | Mr. Dharmen D Mehta – Chairman (DIN: 00036787) Mr. Rajan Kumar Shah - Director & CEO (DIN - 08619751) Ms. Savita D. Kumawat – Independent Director (DIN – 08295644) Mr. Bhaskar Pratap Raju - Independent Director (DIN - 03309309) |
| Company Secretary & Compliance Officer: | Ms. Nandini Chavan (ACS No. A45504) |
| Auditors: | M/s J. H. Bhadari & Co. Chartered Accountants |
| Registered Office: | 91-A. Mittal court, Nariman point, Mumbai – 400021 CIN No. : L65990MH1983PLC031384 Phone: 022 22840078 Fax: 022 22048738 Email: sterling.guaranty@gmail.com Website: www.sterlingguaranty.com |
| Registrar & Share Transfer Agent: | Purva Sharegistry (India) Pvt. Ltd. 9 Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near Lodha Execelus, Lower Parel East, Mumbai-400 011. Email : support@purvashare.com Telephone No. 022-23018261/23016761 |
| Bankers: | HDFC Bank |
| ISIN No | INE668Y01016 |
| BSE Company Code | 508963 |
| Pan No | AAACS7359F |
| GST No | 27AAACS7359F2Z5 |



NOTICE

NOTICE is hereby given that the 36th (Thirty Sixth) ANNUAL GENERAL MEETING of the members of STERLING GUARANTY & FINANCE LIMITED will be held on Tuesday 29th September 2020 at 11.00 A.M through Video Conferencing (VC) / other Audio Means (OAVM) facility to transact the following at the Registered office of the Company.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements consisting of the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Explanatory Notes annexed to, and forming part of, any of the above documents together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint Mr. Rajankumar Shah (DIN:08619751), Director, who retire by rotation in compliance of the provisions of Section 152 of the Companies Act, 2013 (hereinafter called "the Act") and being eligible, offers himself for re-appointment.
3. To continue the appoint M/S J. H. Bhandari Co. Chartered Accountants as Statutory Auditors to hold office for the period of 3 years of her Second term and to authorize the Board to fix their remuneration and in this regard. To consider and if thought fit to pass following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made there under, including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant as amended from time to time appointing M/S J. H. Bhandari Co. Chartered Accountants (ICAI Firm Registration No. 138960W) as Statutory Auditors of the Company, to hold office until the conclusion of 38th Annual General Meeting to be held for Financial Year 2021-22 on such remuneration plus travelling and out of pocket expenses, as may be mutually agreed upon between the Auditors and the Board of Directors of the Company".

"FURTHER RESOLVED THAT any Director or Key Managerial Person be and is, hereby authorized to do all acts and deeds, necessary and expedient to give effect to this resolution."

SPECIAL BUSINESS:

4. To Regularise the appointment of Mr Bhaskar Pratap Raju (DIN : 03309309) as Independent Director

To consider and if thought fit to pass following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to provision off section 149,150,152, schedule IV and any other applicable provisions if any of the Companies Act, 2013 and rules made thereunder read with regulation 17 and other applicable regulations, if any of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Including any statutory modification(s) or re-enactment(s) thereof for the time being in force,] based on the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Ms. Bhaskar Pratap Raju (DIN:03309309) appointed as Additional Independent Director on April 23, 2020 under Section 161 of the Companies Act, 2013 who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received requisite Notice in writing pursuant to the section 160 of the Companies Act 2013 Proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company for a period of five years from 36th Annual General Meeting up to 40th Annual General Meeting not liable to retire by rotation during her tenure as in Independent Director.

"FURTHER RESOLVED THAT any Director or Key Managerial Person, be and is, hereby authorized to do all acts and deeds, necessary and expedient to give effect to this resolution."





5. To approve related party transactions between the Company with Sterling Investments (India) Ltd., Indistock Securities Ltd and Indistock Financial Services Pvt. Ltd.

To consider and if thought fit to pass following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of Companies (Meeting of Board and its powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party Transaction(s), approval of Share Holders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/arrangement(s)/transaction(s) with Sterling Investments (India) Ltd., Indistock Securities Ltd. and Indistock Financial services Pvt. Ltd, other services etc. Board of Director is authorized to do it on such terms & conditions as they may deem fit, provided that the said contract(s)/arrangement(s)/transaction(s).borrowing(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.”

“FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to delegate all or any of powers conferred on it by or under this resolution to any Committee of Director of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

6. Rescindment of the following Resolutions passed in 34th and 35th AGM by recommendation of the Board of Directors as they have become Redundant:

To consider and if thought fit to pass with or without modification(s), the following resolutions a **SPEICAL RESOLUTIONS:-**

“RESOLVED THAT the Resolution passed for Voluntary Delisting of Equity shares of the Company from BSE in 34th AGM dated 28th December 2018 as Item No 7 as Special Resolution is been Rescinded”

“RESOLVED THAT the company’s proposed issue on private placement basis of 15 lacs equity shares at par of face value of Rs. 10 each amounting to Rs. 150 lacs in 35th AGM dated 29th September 2019 as Item No 7 as Special Resolution in which Promoters were deemed to be interested is been Rescinded”

“RESOLVED THAT the Resolution passed for increased in Authorised Share Capital of the company in 35th AGM dated 29th September 2019 as Item No 8 for Special Resolution is been Rescinded

“RESOLVED FURTHER THAT the resolution passed of ‘Alteration of Memorandum and Articles of Association of share capital’ consequent Private Placement to Promoters and Increase in Authorised Share Capital as special resolution in 35th AGM dated 29th September 2019 accordingly are been rescinded.”

“FURTHER RESOLVED THAT any director or key managerial person be and is, hereby authorized to do all acts and deeds, necessary and expedient to give effects to this resolution.”

7. Insertion of object and alteration in Memorandum of Association

To consider and if thought fit to pass with or without modification(s), the following resolutions a **SPEICAL RESOLUTIONS:-**





"RESOLVED THAT pursuant to the provisions of Section 13 of Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any of the Act (including any statutory modifications or re-enactment thereof for the time being in force), and such other rules and regulations as may be applicable, the consent of the Board of Directors be and is hereby accorded subject to the consent of the Shareholders for the alteration of Memorandum of Association of the Company by inserting below objects in Clause III(A) of the main object:

- ❖ to do business of dealing, trading, distribution, franchising, import and export of all types of essential and non-essential goods finished or as raw material, commodities and services which are being used directly or indirectly by public at large under the suitable trade name as may be approved by the Board of Directors."

RESOLVED FURTHER THAT consent of shareholders of the Company be and is hereby accorded to approve insertion and alteration in the Memorandum of Association of the Company and that any director or key managerial person be and is, hereby authorized to do all acts and deeds, necessary and expedient to give effects to this resolution and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

8. Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013

To consider and, if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to Section 13, 15 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, and Rules made thereunder and subject to necessary statutory approvals and modifications if any, consent of the members be and is hereby accorded to adopt the new Memorandum of Association in place of the existing Memorandum of Association with Insertion of object in existing Clause III A containing the Main Objects

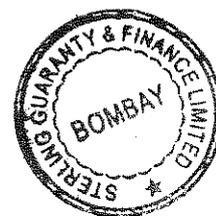
RESOLVED FURTHER THAT the existing Clause III B containing the "Objects Incidental or Ancillary to the attainment of Main Objects" sub-clauses be and is hereby stands deleted and replaced by New Clause III (B) "Matters which are necessary for furtherance of the Objects specified in Clause III(A) containing the sub-clauses

RESOLVED FURTHER THAT the existing Clause III C containing the "Other Objects" sub clauses be and is hereby also stands deleted in full.

RESOLVED FURTHER THAT consent of shareholders of the Company be and is hereby accorded to approve and adopt the aforesaid changes in the Memorandum of Association of the Company and that any director or key managerial person be and is, hereby authorized to do all acts and deeds, necessary and expedient to give effects to this resolution and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

9. Adoption of Articles of Association as per the provisions of the Companies Act, 2013:

To consider and, if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:





"RESOLVED THAT pursuant to the provisions of Section 14, 15 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to adopt the new set of Articles of Association in place of existing Articles of Association containing Article No. 1 to Article no. 193 as available for inspection in the meeting and at the registered office of the company during working hours.

RESOLVED FURTHER THAT consent of shareholders of the Company be and is hereby accorded to approve and adopt the aforesaid changes in the Articles of Association of the Company and that any director or key managerial person be and is, hereby authorized to do all acts and deeds, necessary and expedient to give effects to this resolution and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

Place : Mumbai
Date : 05/09/2020



By the Order of the Board
Sterling Guaranty & Finance limited

Dharmen D Mehta
Chairman
DIN: 00036787



Notes:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Since the AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly the facility for appointment of proxies by the members will not be available for eAGM and hence the proxy form and Attendance Slip are not annexed to this Notice.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the e-AGM along with Annual Report for FY2020 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories and has been uploaded on the website of the Company at www.sterlingguaranty.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com and website of RTA www.purvashare.com.





7. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with Purva (RTA) by clicking on the link <http://www.purvashare.com/email-and-phone-updation>
8. Further, those members who have not registered their email addresses and in consequence could not be served the Annual Report for FY2020 and Notice of thirty-Six e-AGM, may temporarily get themselves registered with Purva (RTA) by clicking the link: <https://purvashareregistry.com.com/emailreg> for receiving the same. Members are requested to support our commitment to environment protection by choosing to receive the Company's communication through email going forward.
9. Members, who have not registered their email address so far, are requested to register their email ids for receiving all communications including Annual Report, Notices, etc., from the Company electronically.
10. Register of Members and Share Transfer Book of the Company will remain closed from the 23/09/2020 to 29/09/2020 (both days inclusive) for the purpose of Annual General Meeting.
11. The Company has been maintaining, inter alia, the following statutory registers at its registered office at 91/A, Mittal Court, Nariman Point, Mumbai: 400021 i) Register of contracts or arrangements in which directors are interested under section 189 of the Act. ii) Register of directors and key managerial personnel and their shareholding under section 170 of the Act. In accordance with the MCA Circulars, the said registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.
12. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- ❖ The voting period begins on 26th September 2020 and ends on 28th September 2020. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd September 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ❖ Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- ❖ The shareholders should log on to the e-voting website www.evotingindia.com.
- ❖ Click on "Shareholders" module.
- ❖ Now enter your User ID

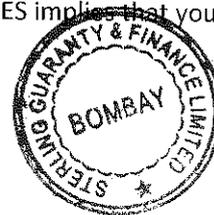




- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- ❖ Next enter the Image Verification as displayed and Click on Login.
- ❖ If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

| | For Shareholders holding shares in Demat Form and Physical Form |
|--|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- ❖ After entering these details appropriately, click on "SUBMIT" tab.
- ❖ Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ❖ For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ❖ Click on the EVSN for the relevant STERLING GUARANTY & FINANCE LIMITED on which you choose to vote.
- ❖ On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to





the Resolution and option NO implies that you dissent to the Resolution.

- ❖ Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details
- ❖ After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- ❖ Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- ❖ You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- ❖ If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- ❖ Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- ❖ For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) by email to Company/RTA email id.
- ❖ For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) to Company/RTA email id.
- ❖ The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- ❖ Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- ❖ Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- ❖ Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- ❖ Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective





network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- ❖ Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- ❖ The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ❖ Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the GM.
- ❖ If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- ❖ Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- ❖ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- ❖ The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



- ❖ Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sterling.guaranty@gmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- ❖ In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.
- ❖ All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors had Appointed Mr. Bhaskar Pratap Raju (DIN: 03309309), was appointed as an Additional Non Executive Independent Director of the Company under Section 161 of the Companies Act, 2013 by the Board of Directors with effect from April 23, 2020, who hold office till the conclusion of the ensuing Annual General Meeting ("AGM").

Following declarations had already been received from Mr Bhaskar Pratap Raju for his appointment on the Board:

Consent in form DIR-2 for being appointed as a Director pursuant to Section 152 of the Companies Act, 2013,

Confirmation of Non-disqualification in form DIR-8 for being appointed as a Director pursuant to Section 164 of the Companies Act, 2013,

The following additional details are provided in respect of Mr. Bhaskar Pratap Raju (DIN: 03309309) given as under:

| | |
|--|---|
| Name of Director | Bhaskar Pratap Raju |
| DIN | 03309309 |
| Date of Birth | 04/03/1973 |
| Date of Appointment | 23/04/2020 |
| Qualification | M. Phil in Economic Development from Oxford University (Class of Year 2000) |
| Expertise in specific functional areas | Founding Partner in the Climate Collective which is a network of like-minded organisations building local ecosystems for climate entrepreneurship. Under a common umbrella brand, the Collective executives projects through a common platform of IT, tools, processes. The Collective currently is focusing on building out the climate and cleantech ecosystems in South Asia through the following programs: |





STERLING
GUARANTY & FINANCE LIMITED

| | |
|---|--|
| Terms & Conditions of re appointment | Appointment as Independent director not liable to retire by rotation |
| Other Directorship | PR CLEAN ENERGY PVT LTD PR VAYU ENERGY PRIVATE LTD PR PROJECTS PRIVATE LTD RAJU BUSINESS ADVISORS PVT LTD PR CLIMATE STUDIO PVT LTD CLIMATE COLLECTIVE FOUNDATION |
| Details of remuneration and remuneration las drawn | Appointed with remuneration |
| Details of Shareholding in the Company | No shareholding |
| Relationship with other Directors /key managerial person (if any) | Not related |
| No. of Board meetings attended during the year | Nil |

The Board was of the view that the knowledge and experience of Mr. Bhaskar Pratap Raju will be of immense benefit to the Company and therefore, recommends the said Resolution No 4 of appointing him as the Independent Director of the Company by Approval of the members.

None of the Directors (except Mr. Bhaskar Pratap Raju) to the extent of his appointment) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution.

Your Directors, accordingly recommend and seek your approval to the resolution as appearing in items No. 4 of the Notice for your approval as a Ordinary Resolution.

Item No. 5

Your Company has entered into transactions with Sterling Investments (India) Ltd., Indistock Securities Ltd. and Indistock Financial Services Pvt Ltd as mentioned in the resolution which is a "Related Party" as defined under Section 2(76) of the Companies Act, 2013.

As per the provisions of Section 188(10) of the Act, "Related Party Transactions" require prior consent of the Board where transactions proposed to be entered into falls in the list of items referred therein and are within threshold limited prescribed under Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014. Proviso to Section 188 further provides that nothing contained in sub-section 1 of Section 188 applies where transactions are entered into by the Company in the ordinary course of business other than transactions which are not on which are not on arm's length basis.

As per the provisions of Regulation 23 of SEBI (LODR), Regulations, 2015, defines the term Material Related Party Transactions. It provides that all related party transactions shall be considered as "Material" if the transaction entered with or transactions to be entered individually or taken together with a Related Party along with previous transactions during a Financial Year exceeds 10% of the Annual Consolidated Turnover of the Company as per Last Audited Financial Statement of the Company. The Material Related Party Transactions requires approval of the Shareholders by way of an Ordinary Resolution and in respect of





voting on such resolution(s), all the related parties shall abstain from voting, irrespective of whether the entity or person is a party to the particular transaction or not, pursuant to Regulation 23(7) of SEBI (LODR) Regulations, 2015.

Members may please note that based on the criteria as mentioned above in the LODR, transactions with such related parties as mentioned in Item No. 5 are "Material" and therefore requires approval of the Company by Ordinary resolution.

The following are the particulars under Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014:

| Sr. Nos | Particulars | Sterling Investments (India) Ltd. | Indistock Securities Ltd | Indistock Financial Service Pvt. Ltd |
|---------|---|-----------------------------------|------------------------------------|--------------------------------------|
| 1 | Name of the Director or KMP who is Related | Dhiren D. Mehta & Aditi D. Mehta | Dhiren D. Mehta & Aditi D. Mehta | Dharmen D. Mehta |
| 2 | Nature of Relationship | Chairman and Director | Chairman and Director | Son of Mr. Dhiren D. Mehta |
| 3 | Nature, Material Terms, Monetary value and Particulars of Contract or Arrangement | Receipt and repay of Loan | Receipt & Payment and Stock Broker | Repayment of loan |

The Audit Committee of your Company has approved Related party transaction in the Meeting held on 21.07.2020

The Board of Directors is of the opinion that the transactions are on an arm's length basis and are in the ordinary course of business and recommends the resolution as set out in the accompanying Notice for the approval of members of the Company as on Ordinary Resolution. None of the Directors and Key managerial Personnel of the Company or their relatives, except Mr. Dhiren D. Mehta, Mr Dharmen Mehta and Ms. Aditi D. Mehta and their relatives, shall be deemed to be, financially or otherwise, interested or concerned in this resolution.

Your Directors, accordingly recommend and seek your approval to the resolution as appearing in items No. 5 of the Notice for your approval as a Ordinary Resolution.

ITEM NO 6

RESCINDMENT OF THE FOLLOWING RESOLUTIONS PASSED IN 34th and 35th AGM BY RECOMMENDATION OF THE BOARD OF DIRECTORS

The Resolution passed for Voluntary Delisting of Equity shares of the Company from BSE in 34th AGM dated 28th December 2018 as Item No 7 as Special Resolution is been Rescinded"

"The BSE had not yet removed restriction on promoters due to company is unable to do preferential allotment as company proposes to issue on private placement basis 15 lacs equity shares of face value of Rs. 10 each amounting to Rs. 150 lacs in 35th AGM dated 29th September 2019 as Item No 7 for Special





Resolution in which Promoters are deemed to be interested is been Rescinded

“Accordingly The Increased in Authorised Share Capital of the company in 35th AGM dated 29th September 2019 as Item No 8 for Special Resolution is been Rescinded

The resolution of ‘Alteration of Memorandum and Articles of Association of share capital’ regarding Private Placement to Promoters and Increased in Authorised Share Capital as special resolution passed in 35th AGM dated 29th September 2019 accordingly been rescinded.”

Your Directors, accordingly recommend and seek your approval to the resolution as appearing in items No. 6 of the Notice for your approval as a Special Resolution.

ITEM NO 7

Insertion of object and alteration in Memorandum of Association

The Company is in the process of commencing new business activities and consequently the company has also altered its main objects. Therefore, the Board of Directors of the Company seeks your approval for proposed object clause.

The Board of Directors proposed enabling resolution to start new business other than NBFC in view of surrendering COR of NBFC to RBI as approved by earlier AGM and BOD meeting.

The Board of Directors also planning for changing the name after few months as per section 16 of act 2013 and regulation 45 of SEBI listing obligations and disclosure requirements regulation as per LODR 2015

As per the provision of Section 13 of the companies Act, 2013, Approval of the shareholders is required to be accorded for Insertion in Main object and consequent alteration in the Memorandum of Association and Articles of Association by way of passing Special resolution. Hence the resolution is put up for the shareholders approval.

None of the Directors and their relatives is concerned or interested in above Resolution.

Your Directors, accordingly recommend and seek your approval to the resolution as appearing in items No. 7 of the Notice for your approval as a Special Resolution.

ITEM NO 8

Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013

The Companies Act, 2013, has prescribed a new format of Memorandum of Association (“MOA”) for public companies limited by shares. Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company by merging and retaining the Objects under Clause III (C) – “The Other Objects are” with Clause III (B) – “The Objects Incidental or Ancillary to the attainment of the Main Objects are” to the extent possible and also to rename and renumber the Clause III (A) and III (B) of the Object Clause

The Board at its meeting held on 05 September 2020 has approved alteration of the MOA of the Company and recommends the Special Resolution set forth in Item No. 8 of the Notice for approval of the Members.





The proposed draft MOA is being uploaded on the Company's website for perusal by the Members. Further, a copy of the proposed MOA of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM. None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the resolution except to the extent of their shareholding, if any, in the Company.

Your Directors, accordingly recommend and seek your approval to the resolution as appearing in items No. 8 of the Notice for your approval as a Special Resolution.

ITEM NO 9

Adoption of Articles of Association as per the provisions of the Companies Act, 2013:

The existing Articles of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act.

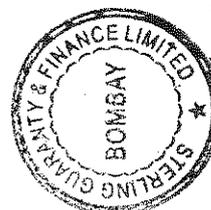
On 12 September, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on 26 March, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal")). With the coming into force of the Act, several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to replace wholly the existing AOA by a new set of Article as per Act 2013.

Pursuant to Section 14 of the Act, the consent of the Members by way of Special Resolution is required for alteration of AOA of the Company. The Board recommends the Special Resolution set forth in Item No. 9 of the Notice for approval of the Members. The proposed new draft AOA is being uploaded on the Company's website for perusal by the Members. Further, a copy of the proposed set of new AOA of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM. None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company

Your Directors, accordingly recommend and seek your approval to the resolution as appearing in items No. 9 of the Notice for your approval as a Special Resolution.

Place: Mumbai
Date: 05/09/2020

By the Order of the Board,
Sterling Guaranty & Finance Limited




Dharmen Mehta
Chairman
DIN: 00036787



STERLING
GUARANTY & FINANCE LIMITED
CIN No. : L65990MH1983PLC031384

BOARD'S REPORT

To,
The Members,

Your directors are pleased to present the 36th Annual Report on the business of the Company and the Audited Financial Statement for the year ended 31st March 2020.

HIGHLIGHTS OF PERFORMANCE:

Following figures summarize the financial performance of the Company for the year 2019-2020

| Particulars | (Rs. In Lakhs) | |
|---|--|--|
| | For the year ended 31.3.2020 Rs. | For the year ended 31.3.2019 Rs. |
| Revenue from Operations | 1.39 | 13.24 |
| Other Income | 3.01 | 15.60 |
| Profit/Loss before Finance Costs | (17.69) | 1.86 |
| (Less) : Finance Costs | (0.33) | (0.01) |
| (Less) : Depreciation | - | - |
| (Less) : Taxes | - | - |
| Net Profit (Loss) for the year | (18.01) | 1.85 |
| Balance of Profit/Loss for Earlier year | (839.49) | (841.34) |
| (Less) : Transfer to Reserve | - | - |
| Balance carried forward | 857.52 | (839.49) |

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Your directors inform you that your Company is being revived during 2019-20. However due to shortage of capital and Covid-19, your Company has generated Loss of Rs 18.02 Lakhs in the year 2019-20 in comparison to Profit of Rs. 1.85 Lakhs in the year 2018-19.

DIVIDEND

In view of carried forward loss, your directors do not recommend any Dividend for the year under review.

APPROPRIATION OF RESERVES

The Company is not required to transfer any amount to reserve. No amount is transferred to any reserve in view of loss.

SHARE CAPITAL

There have been no changes in the share capital during the year under review.

Paid up Equity Share Capital as on 31st March, 2020 was Rs.653.76 lakhs. During the year under review, the Company has neither issued shares with differential voting rights nor issued sweat equity or granted stock options.

COMPANY'S PERFORMANCE/STATE OF COMPANY'S AFFAIRS

Current Net Worth of the company is negative Rs. 86 lakhs only, which Director are confident to make it positive. Promoters have in principle had agreed to subscribe to 15 lakhs Equity Shares of F.V. of Rs. 10 each by way of preferential placement to revive the Company. They have given interest free loan of Rs. 83.74 lakhs. This would have sufficient capital to carry on non-NBFI business. However this was subject to removal of restriction in trading of Promoters Equity and Company shares listed in BSE. However this not done by BSE and hence the Company is not able to raise further capital.

GENERAL

The Company's CoR of NBFC which was surrendered to RBI on 3rd April 2018 is not yet cancelled. The company has not done any NBFI business during the year. The Company is a going concern. Surplus funds are invested in quoted shares or bank FD on temporary basis. At the year-end they are liquidated.

SUBSIDIARY COMPANIES

The Company has no subsidiary company as on March 31, 2020. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act")

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DIRECTORS' RESPONSIBILITY STATEMENT

- a) That in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards as advised by the auditors have been followed along with proper explanation relating to material departures, if any;
- b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the Profit and Loss of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis and applying IND_AS.
- e) Those proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) Those systems to ensure compliances with the provisions of all applicable laws were in place and were adequate and operating effectively.

OPERATIONS, FUTURE PLAN & CHANGE OF BUSINESS

The Company has been doing necessary compliances. During the year no NBFI Business was carried out. Equity Shares of the Company is listed on BSE under Code No. 508963.

Future Plan:

- a. The Company will utilize the experience of Promoters/Directors in financial technology for Legal & Investment advisory and looking for business depending upon raising capital.
- b. At present the focus is to do proprietary investment business. Buying of stressed assets from banks & institutions and adding value to those assets by stabilizing their titles, business operation/Asset & Liabilities and sale them after adding value.
- c. Legal and Investment Consultancy.

DEPOSITS

Your Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

DETAILS OF DIRECTORS OR KMP WHI WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

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1. Mr Bhaskar Pratap Raju (DIN No. 03309309) is appointed as Additional Non Executive Independent Director of the Company w.e.f. 23-04-2020.
2. During-the year under review, the Company has appointed as Key Managerial Personnel Ms. Nandini Chavan as Company Secretary w.e.f. 22/02/2020
3. During-the year under review, the Company has resigned as Director and Key Managerial Personnel i.e Ms. Aditi Mehta as Director and CEO w.e.f. 03-11-2019 . However Ms Aditi Mehta will continue the position of CFO in the Company on honorary basis.
4. During-the year under review, the Company has appointed as Key Managerial Personnel Mr. Manoj Sharma as Company Secretary w.e.f. 18/11/2019 has been resigned as company secretary w.e.f 03/02/2020
5. During-the year under review, the Company has resigned as Key Managerial Personnel Ms. Richa Sharma as Company Secretary w.e.f. 20/07/2019

BOARD MEETING HELD DURING THE YEAR.

Eight Meetings of Board of Director were held during the year on 25/04/2019, 27/05/2019, 02/08/2019, 05/09/2019, 14/11/2019, 25/11/2019, 28/01/2020 & 28/02/2020. For details of meetings of the Board please refer to the Corporate Governance Report, which forms part of the Board's Report.

BOARD EVALUATION

The Board of Directors has carried out an Annual Evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ('The history Regulations')

The performance of the Board were evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee") reviewed the performance of the individual directors on the basis of the criteria such as contribution of the individual director to the Board and committee meetings like preparedness on the issues to be

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discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

Independent Director reviewed the performance of the board as a whole and performance of the Chairman, taking into account the views of the same was discussed in the board meeting that followed after the review.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act has been stated in the Corporate Governance Report, which forms part of the Board's Report.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

HUMAN RESOURCES

Company's relations with the employee continued to be harmonious and cordial during the year under review.

AUDITORS

(1) Statutory Auditors:

In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors is done at Annual General Meeting.

(2) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company appointed Sark & Associates to undertake the Secretarial Audit of the Company for the year ended March 31, 2020. The Secretarial Audit Report is annexed herewith.

The Secretarial Audit Report for the financial year ended March 31, 2020 contains observations. Directors' reply on the Auditors comment is as follow:

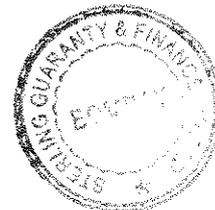
Explanation for observations:-

The Company provides for retirement benefits on cash basis as No. of employees are less.

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OPPORTUNITIES, THREATS, RISK AND CONCERNS

There is good opportunities in investment and dealing in stressed Assets. The Company is in need of more funds to deal in stressed Assets and other businesses.

SEGMENT WISE PERFORMANCE

The Company doesn't have any functional segment right now.

FINANCIAL PERFORMANCE

A summary of the financial performance vis-a-vis operational performance is disclosed in Board's Report.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has adequate internal control systems including suitable monitoring procedure commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorization and approval procedures. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include financial position of the company, economic conditions affecting demand / supply, price conditions in the domestic and overseas market in which the company operates, changes in the government regulations, tax laws and other statutes.

AUDIT COMMITTEE & NOMINATION AND REMUNERATION COMMITTEE & STAKEHOLDERS RELATIONSHIP COMMITTEE

The details pertaining to recomposition of audit committee & Nomination and Remuneration Committee and Stakeholders Relationship Committee are included in the Corporate Governance Report, which forms part of this report.

The audited Result were reviewed and recommended by the audit committee and subsequently approved by Board of Directors of the Company. The Statutory Auditors have expressed an unqualified audit opinion.

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RISK MANAGEMENT:

The Board of the Company has formed a Risk Management Committee. The Committee is responsible for reviewing implementing and monitoring the risk management plan and ensuring its effectiveness. Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Directors' Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS.

The Company has not provided any loans and not given any guarantees nor provided securities to any of the entities or made investments pursuant to Section 186 of the Companies Act, 2013 during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES.

Particulars of contract or arrangement with related parties as referred in sec 188 (1) of Companies Act 2013 in prescribed form AOC-2 is appended to Board Report.

CSR POLICY

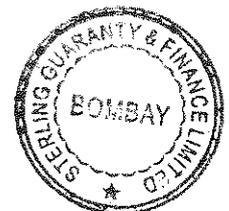
The Company does not fall in any of the criteria as set out in Section 135(1) of the Act and accordingly Company is not required to comply with the same in respect of Corporate Social Responsibility.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE.

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employee at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee headed by Women Director, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment if any and recommend appropriate actions.

The Company has not received any complaint of sexual harassment during the financial year 2019-2020.

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VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism /Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS:

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company as well as operation of the Company in future.

Bombay Stock Exchange had appointed forensic auditor to verify the revival of the Company. They have clearly indicated that there is no misuse or diversion of funds.

PARTICULARS OF EMPLOYEES AND REMUNERATION:

Pursuant to the Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, no employee of the Company was paid remuneration exceeding the prescribed limits, during the Financial year 2019-20.

EXTRACT OF ANNUAL RETURN AS PER SECTION 92 (3) OF COMPANIES ACT 2013:

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure -III".

A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the independent director has given declarations of independence in the first board meeting of the current financial year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND BALANCE SHEET DATE:

There are no material changes and commitments that would affect financial position of the company from the end of the financial year of the company to which the financial statements relate and the date of the directors report.

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ENERGY CONSERVATION, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A) Conservation of Energy:

Your Company is serious in conserving energy by reducing consumption of power in the offices has not made any capital investment.

B) Technology absorption:

Your Company has taken new initiative towards Investment technology for absorption which are developed in house and therefore not made any expenditure on research and development.

C) Foreign Exchange earnings and outgo:

There is no inflow or out flow of Foreign exchange during the year.

D) The change in nature of business:

There is change in nature business of the company during the year under review as stated above.

STATEMENT OF COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS

In terms of clause no. 9 of Revised SS-1 (Revised Secretarial Standards on meeting of Board of Directors effective from 20/01/2017) your directors state that the Company is compliant of applicable Secretarial Standards during the year review.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from all the stakeholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Place: Mumbai

Dated: 28th Aug. 2020



Dharmen Mehta
DIRECTOR
(Din : 00036787)

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STERLING

GUARANTY & FINANCE LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW:

During the year, the Company has made loss of Rs. 18.02 lacs for the financial year ended March 31, 2020 compared to profit of Rs. 1.85 lacs in the previous year. The accumulated loss is Rs 857.50 lacs compared to share holders' funds of Rs. 739.97 lacs. The Company has negative Net worth as on March 31, 2020 of Rs. -86.19 lacs. The Company needs further capital infusion.

RESOURCES AND LIQUIDITY:

The Company has not accepted any fixed deposits from the public during the year 2019-20 and there are no outstanding liabilities to banks or depositors. The company has borrowed interest free loan from Sterling Investments (India) Ltd., Promoter Company. Outstanding amount payable as on 31-03-2020 is Rs.83.74 lacs(P.Y. Rs. 100.00 Lacs).

INDUSTRY STRUCTURE AND DEVELOPMENTS, OPPORTUNITIES AND CHALLENGES OF CORE BUSINESS:

Sterling Guaranty & Finance Limited has 35 years' experience of financial services in India. Range of services include as Tax Advisory on investments, Risk Advisory and Security Valuation, Arbitrage Strategy and Investment. Our services are currently used restricted to group companies. These services are rendered in diverse terms and forms to meet the group demands. To keep the industry norms, we have aligned with knowledgeable experts who have years of experience of this realm.

The Financial sector continues to face competitive pressures from the banking sector and financial institutions, due to their increased penetration in the Securities market, with comparatively low cost of funds at their disposal.

1. Legal Consultancy

Our legal advisory services aim to ensure strict compliance with relevant compliance regulations of MCA, NSE, BSE, SEBI, RBI and Income Tax. Company's Legal Compliance is now viewed as a separate service because of its complexity and because it is becoming more complex. We help interpret and comply with the rules and regulations in order for clients to continue to operate in their chosen sectors. There are many sections of the Companies Act where we are in a position to provide guidance and/or assistance with interpretation pertaining to Company Law and Income Tax, secretarial matters, Accounting matters such as statutory disclosures, deadlines and ICAI Standards, Matters affecting share capital, Statutory provisions relating to various meetings like AGM, EGM and BoD. Matters related to Ministry of Corporate Affairs & SEBI, Company Law Compliance, SEBI Regulations and Compliance etc.

Areas of practice:

- Company Law Matters concerning legality, management obligations, transfers, investigation etc.
- Advisory services in corporate law matters including FEMA, foreign direct investment, ECBs, takeovers, securities laws, stamp law, etc.





- Indirect taxation – queries and compliance of GST.
- Mergers, de-mergers, corporate restructuring, schemes and arrangements.
- Company law formalities such as incorporation, Board Structure, Statutory Compliance, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Shareholder relationship committee.

Investment Consultancy

As an investment consultant we provide investors with investment products, advice and/or planning. Our advisory is based on Long-term, responsible and enterprising investing, a rational framework based on fundamental analysis draws support from Quantitative, Technical, Global and Domestic Macro Analysis. We do in-depth work on formulating clients' investment strategies, helping them fulfill their needs and reach their financial goals and make suitable investment decision. We advise on various kinds of opportunities available in the market which includes:

Arbitrage

“Arbitrage is the coordinated purchase and sale of shares in cash and futures market and or between different series of Futures to profit from a difference in the price. It is a trade that profits by exploiting the price differences of identical or similar financial instruments on different markets or in different forms. If the Company takes one side risk in buying or selling the return increase.

NSE Cash Future Arbitrage Opportunity

Cash future arbitrage is basically an opportunity to earn risk-free profit from an unusual difference between cash and future prices in the stock market. There is normally an appreciable and exploitable difference between the Cash price and future price, especially at the beginning of the month. This difference is known as basis (basis = cash price - future price). Smart investors having investible sum as small as in the range of 3 to 5 lakhs can earn risk free profit using cash future arbitrage. In a cash-futures arbitrage, a trader sells the futures that are quoting at a premium (or buys the future that is quoting at a discount) to the stock, and buys (or sells) an equivalent quantity of the underlying shares, the difference between the two being his profit. Closer to the derivative expiry when both future and spot prices almost coincide, the trader squares off his positions in both segments - buying futures and selling shares or selling future and buying shares. This strategy yields the best returns when the futures are quoting at a significant premium or discount to the spot price. To help investors benefit from cash and future arbitrage. We identify the arbitrage opportunity available on NSE on opening of the Market. Sterling does business on prosperity basis and do not do for third party.

Types of Arbitrage Strategy

There are basically two types of cash and future arbitrage strategy:

Day Strategy – In this strategy, the arbitrageur tends to square up on the same day when the difference between cash and future price shrinks. For example, say the Reliance share cash price is Rs 950 and the futures price is Rs 960. Since the markets are at times very choppy, the cost of carry between the futures and spot varies. Supposing one initiates a trade at a cost of carry of Rs 10. Whenever the difference shrinks to Rs 5 to 6 in the same day, the arbitrageur reverses the position.





Monthly Strategy – In this strategy, the arbitrage enters the arbitrage position at the beginning of the month and holds it till the expiry day. On the expiry day, when the cash and future prices converge, he closes both the positions pocketing the price difference at the beginning of the month as the profit. For example, say the Reliance spot price is Rs 950 and futures is at Rs 960, with 28 days to expiry of the futures contract. Arbitrage will keep this arbitrage position open till the expiry day when the spot and futures start trading at parity. Once the prices converge, he will close both the positions and keep Rs 10 – Transaction charges as risk free profit.

Investment in Securities

Sterling has in his team of Directors and employees have more than 50 years' experience of securities market. Major Equity Securities in Nifty 50/ Sensex are tracked for their price movement, trading data, volatility and related news & events. This enables the Company to Invest in Cash Market and sale or sale in derivatives and buys. Mostly the decision remains on profit side but if it turns out not as per expectations then security is hold for delivery and/or traded out or averaged.

Experience of the Company has been encouraging. Depending on funds deployed it can generate adequate profitability to service the Capital.

Dealing in Business of Stressed Assets

The stressed asset investment landscape in India has come of age and the time is ripe for discerning investors to step in and pick "value" assets. Over the last two years, there has been a remarkable change in the resolution process for non-performing loans (NPLs) on banks' balance sheets. While India has had a fair share of stressed assets at regular intervals, investors have stayed away from the space in the absence of robust legal, regulatory and resolution frameworks. Lacks of creditor-friendly laws have allowed promoters to exploit the system and banks have continued "ever greening" loans with lax oversight. The Insolvency and Bankruptcy Code (IBC) and RBI stance have changed the game. It has given stressed asset resolutions a legal structure, well-defined processes, responsibilities and timelines. The initial cases before the National Company Law Tribunal (NCLT) indicate that the authorities are being proactive in ironing out new challenges.

Distressed asset investments are exciting because of their inherent "buy low-sell high" potential and low correlation to other asset classes. The emphasis is on buying good underlying assets with potential for a turnaround, at reasonable valuations. As investors in a distressed asset, it is crucial to perform in-depth due diligence to avoid traps, whether related to pricing, litigation or operations.

Unlike a blue-chip equity investment, distressed asset investments need considerable handholding after the initial financial assistance. It is important that the market begins to see value in the business, as the price you can command at exit would depend on this. Apart from capital restructuring, excess value can be created by changing the management, aligning incentives for stakeholders and restructuring operations and setting liabilities.

While global entities are waiting to see how the new frameworks play out, domestic ones have already started working actively in the space to acquire assets at discounted prices.

With increasing competition in retail finance, banks and Financial Institutions are faced with unique challenge of providing competitive rates to secure more business for increased top line yet maintain a healthy bottom line.





Bottom line of banks and Financial Institutions get reduced due to high default percentages which are written off in books of accounts and termed as stressed assets or non-performing assets. Efficient management of the stressed asset offers significant tangible and intangible benefits to the financial services companies.

We, at Sterling Guaranty & Finance Ltd who was earlier a Category 1 Merchant Bank address the challenge of Stressed Assets Management by making use of our experience. We offer tailored solutions based on the asset class. Our Company has experience of delivering great value for all asset classes which includes unsecured to secured and low ticket to very high ticket size borrowers. We also undertake skip tracing and field investigations to facilitate the collection output. Our affiliated team shares the status of each & every case on real time basis. To ensure banks and Financial Institutions control over recoveries all negotiations are routed to banks and Financial Institutions for approval through system, monetary collection is executed post valid approval from banks or as per the banks matrix. Sterling sees good future in dealing the buying selling of stressed assets.

OUTLOOK:

However as discussed above the Company is hopeful of bright future in above core business.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate control system to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of laws & regulations. The Audit Committee of Directors reviews the adequacy of internal control periodically.

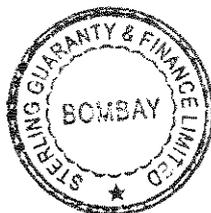
CAUTIONARY STATEMENT AND CONCERNS:

The company is exposed to specific risks of interest rate fluctuations, credit risk, lack of resources which are peculiar to its businesses and the environment within which it operates. Statements in "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectation or prediction may be "forward looking statements" within the meaning applicable securities law & regulations. Actual results could differ materially from those expressed or implied. Many unforeseen factors may come into play and affect results, which could be different from what the Management envisages in terms of performance and outlook.

Place: Mumbai

Dated: 28th August 2020

For and on behalf of the Board of Directors



Dharmen Mehta
DIRECTOR
(DIN: 00036787)

FORM NO MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year Ended 31st March, 2020

To,
The Members
STERLING GUARANTY & FINANCE LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sterling Guaranty & Finance Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; is not applicable to the Company during the Audit Period.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; is Not applicable to the Company during the Audit Period.
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; is Not applicable to the Company during the Audit Period.
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; is not applicable to the Company during the Audit Period and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; is not applicable to the Company during the Audit Period.
- (vi) Other laws applicable to the company:
- i. Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - ii. Maharashtra Shops and Establishments Act, 1948
 - iii. The Minimum Wages Act, 1948
 - iv. The Income Tax Act, 1961
 - v. Banking Regulation Act 1949
 - vi. Indian Contract Act 1872
 - vii. Sale of Goods Act 1930
 - viii. Registration Act 1908
 - ix. Negotiable Instruments Act 1881
- vii) The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company as mentioned below:
- i) Reserve Bank of India Act, 1934
 - ii) All the Rules, Regulations, Guidelines and Circulars applicable to Non-Banking Financial Companies under the RBI Act, 1934.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

Note : As per Clause 15(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the submission of Corporate Governance Report is not applicable to the Company, in respect of the listed entity having paid up equity share capital not exceeding Rs. 10 Crores and net worth not exceeding Rs.25 Crores as on 31st March 2020. The company is thus exempted.

We further report that -

- a) As on date the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.
- b) Recently Board of Directors was reconstituted all its committees i.e Audit Committee, Nomination and Stakeholders Committee and Stakeholders Relationship Committee as per SEBI (LODR) Regulation 2015.
- c) During the financial year under review the company had not filled form Mgt 14 related to Approval of the Financials and Director Report
- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

| Sr. no: | Action taken by | Details of violation | Details of action taken | Observation/remark by Practicing Company Secretaries |
|---------|-----------------|--|--|---|
| 1 | SEBI/BSE | As per SEBI Letter Dated August 07, 2017 | Restrictions made on Promoters Equity on selling of shares and in trading in listed shares of the Company by BSE keeping in GSM. | BSE Compliances are Submitted for financial year 2019-20 with below mentioned noting. |

Our Observations / Notings :

On the basis of information provided to us and based on our checking we have made following observations related to below mentioned points:

SEBI directions w.r.t. listed Shell Companies dated 29.05.2019 related to trading category of equity segment (Exchange notice no. 20170807-31 dated August 07, 2017 and pursuant to the Exchange notice no. 20190111-17 dated January 11, 2019, the securities of the company shall be moved out of GSM Stage VI w.e.f. Thursday i.e. May 30, 2019.

As on date Company remains in GSM Stage 0 Framework.

The BSE had restricted the Promoters Equity and trading in Company Shares. The company is pursuing for their removal by no. of representations and meetings. In a representation to BSE/SEBI dated 26.05.2020 it is mentioned that the operations of the Company stands revived and is active. All the concerns raised by BSE have been addressed and they have been informed. Company Promoters also had personal meeting on March 05, 2020 with Expert Committee. As nothing adverse has been enquired after that they stand satisfied. Forensic Auditor appointed by BSE on revival has not given any adverse remarks on Company operation and/or Promoters. BSE needs to remove these restrictions as future operations are at risk for lack of additional capital and it cannot be raised from the promoters and others by way of preferential issue under the circumstances.

As on date, the Company has submitted the proper compliances to BSE as per LODR in proper time limit and also has Company Secretary, CEO and CFO with professional qualifications for handling different areas related to their field. The company does not have any Public Deposit nor have any outstanding charge on its assets. Under PMLA Rule 9(14) the company has not deposited any cash in bank in demonetization. 100% Promoter's holding is dematerialized. RTA has completed KYC requirement as mandated by SEBI and is confirmed by RTA.

Date: 31st July 2020

Place: Mumbai

UDIN : A022135B000522855

For & on behalf of SARK & Associates

SUMIT
JITENDER
KHANNA

Sumit Khanna
(Partner)

Company Secretaries
CP No. 9304 / Membership No. 22135

Note: This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

ANNEXURE "A"

To
The Members
Sterling Guaranty & Finance Limited
91/A, Mittal Court, Nariman Point, Mumbai 400021

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 31st July, 2020

Place: Mumbai

UDIN : A022135B000522855

For & on behalf of SARK & Associates

SUMIT
JITENDER
KHANNA

Sumit Khanna
(Partner)

Company Secretaries
CP No. 9304 / Membership No. 22135

Sark & Associates
Unit No. 215; 2nd Floor, Gundecha Industrial Complex, Near Big Bazar, Akurli Road,
Kandivali East, Mumbai, Maharashtra 400101
Email Id : compliance@sarkcs.in , Contact No : 022-2844639

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Sterling Guaranty & Finance Limited

91/A, Mittal Court, Nariman Point, Mumbai: 400021

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sterling Guaranty & Finance Limited having CIN : L65990MH1983PLC031384 and having registered office at 91/A, Mittal Court, Nariman Point, Mumbai: 400021 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Ministry of Corporate Affairs or Securities Exchange Board of India or any such other Statutory Authority

| Sr No | Name of Director | DIN | Date of Appointment |
|-------|--------------------|----------|---------------------|
| 1 | Mr Dhiren Mehta | 00036743 | 25/10/2017 |
| 2 | Mr Dharmen Mehta | 00036787 | 28/01/2020 |
| 3 | Mr Rajankumar Shah | 08619751 | 25/11/2019 |
| 4 | Ms Savita Kumavat | 08295644 | 03/12/2018 |

Ensuring the eligibility for appointment/continuity of every Director on the Board is the responsibility of the management of the company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 20/08/2020

Place: Mumbai

UDIN : A022135B000597127

For & on behalf of SARK & Associates

SUMIT JITENDER
KHANNA

Sumit Khanna
(Partner)

Company Secretaries

CP No. 9304 / Membership No. 22135

Sark & Associates
Unit No. 215, 2nd Floor, Gundecha Industrial Complex, Near Big Bazar, Akurli Road,
Kandivali East, Mumbai, Maharashtra 400101
Email Id : compliance@sarkcs.in , Contact No : 022-2844639

**Secretarial Compliance Report of Sterling Guaranty & Finance Limited for the year
ended 31st March, 2020**

I, Sumit Khanna, partner of SARK & Associates, Practicing Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by Sterling Guaranty & Finance Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity information inserted by the company
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31.03.2020 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (*Not applicable during the year under review*)
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (*Not applicable during the year under review*)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (*Not applicable during the year under review*)

Sark & Associates

Unit No. 215, 2nd Floor, Gundecha Industrial Complex, Near Big Bazar, Akurli Road,
Kandivali East, Mumbai, Maharashtra 400101
Email Id : compliance@sarkcs.in , Contact No : 022-2844639

- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; *(Not applicable during the year under review)*
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

And based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

| Sr. no: | Compliance Requirement (Regulations! circulars! guidelines including specific clause) | Deviations | Observation/remark by Practicing Company Secretaries |
|---------|---|------------|--|
| Nil | Nil | Nil | Nil |

- (b) On the basis of information provided to us, the listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records as mentioned below

As per Clause 15(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the submission of Corporate Governance Report shall not be applicable to Company, in respect of the listed entity having paid up equity share capital not exceeding Rs. 10 Crores and net worth not exceeding Rs.25 Crores as on 31st March 2020

Sark & Associates
Unit No. 215, 2nd Floor, Gundecha Industrial Complex, Near Big Bazar, Akurli Road,
Kandivali East, Mumbai, Maharashtra 400101
Email Id : compliance@sarkcs.in , Contact No : 022-2844639

Recently Board of Directors had Reconstituted all its committees i.e Audit Committee, Nomination and Stakeholders Committee and Stakeholders Relationship Committee as per SEBI (LODR) Regulation 2015

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

| Sr. no: | Action taken by | Details of violation | Details of action taken | Observation/remark by Practicing Company Secretaries |
|---------|-----------------|--|--|---|
| 1 | SEBI/BSE | As per SEBI Letter Dated August 07, 2017 | Restrictions made on Promoters Equity on selling of shares and in trading in listed shares of the Company by BSE keeping in GSM. | BSE Compliances are Submitted for financial year 2019-20 with below mentioned noting. |

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Kandivali East, Mumbai, Maharashtra 400101
Email Id : compliance@sarkcs.in , Contact No : 022-2844639

Our Observations / Notings :

On the basis of information provided to us and based on our checking we have made following observations related to below mentioned points:

SEBI directions w.r.t. listed Shell Companies dated 29.05.2019 related to trading category of equity segment (Exchange notice no. 20170807-31 dated August 07, 2017 and pursuant to the Exchange notice no. 20190111-17 dated January 11, 2019, the securities of the company shall be moved out of GSM Stage VI w.e.f. Thursday i.e. May 30, 2019.

As on date Company remains in GSM Stage 0 Framework.

The BSE had restricted the Promoters Equity and trading in Company Shares. The company is pursuing for their removal by no. of representations and meetings. In a representation to BSE/SEBI dated 26.05.2020 it is mentioned that the operations of the Company stands revived and is active. All the concerns raised by BSE have been addressed and they have been informed. Company Promoters also had personal meeting on March 05, 2020 with Expert Committee. As nothing adverse has been enquired after that they stand satisfied. Forensic Auditor appointed by BSE on revival has not given any adverse remarks on Company operation and/or Promoters. BSE needs to remove these restrictions as future operations are at risk for lack of additional capital and it cannot be raised from the promoters and others by way of preferential issue under the circumstances.

As on date, the Company has submitted the proper compliances to BSE as per LODR in proper time limit and also has Company Secretary, CEO and CFO with professional qualifications for handling different areas related to their field. The company does not have any Public Deposit nor have any outstanding charge on its assets. Under PMLA Rule 9(14) the company has not deposited any cash in bank in demonetization. 100% Promoter's holding is dematerialized. RTA has completed KYC requirement as mandated by SEBI and is confirmed by RTA.



**ANNEXURE-2
FORM NO. AOC-2**

**(Pursuant to clause (h) of sub-section 134 of the Act and Rule 8(2) of the Companies
(Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/Arrangements entered into by the company related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transaction not at Arm's length basis.

| Sr. No. | Particulars | Details |
|---------|---|---------|
| a) | Name(s) of the related party and nature of Relationship | NIL |
| b) | Nature of contracts/ arrangements/ transactions | NIL |
| c) | Duration of the contracts/ arrangements/ transactions | NIL |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | NIL |
| e) | Justification for entering into such contracts or arrangements or transactions | NIL |
| f) | Date of approval by the Board | NIL |
| g) | Amount paid as advances, if any: | NIL |
| h) | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | NIL |

2. Details of material contracts or arrangement or transactions at arm's length basis

| Sr. No. | Particulars | Details |
|---------|---|---|
| a) | Name(s) of the related party and nature of relationship | <ol style="list-style-type: none"> 1. Dhiren Mehta (Father of Chairman) 2. Aditi Mehta (Sister of the Chairman) 3. Sterling Investments (India) Limited (Company in which Dhiren Mehta is a director) 4. Indistock Securities Limited (Company in which Dhiren Mehta is a director) 5. Indistock Financial Service Pvt. Ltd. (Company in which Chairman is Director) 6. G.I. Power Corp Ltd (Company in which Chairman is a Director) |

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

| | | |
|----|---|---|
| b) | Nature of contracts/ arrangements /transactions | Loan taken and loan repaid. Margin deposit and payments for dealing in Securities to Indistock Securities Ltd. as NSE Broker. |
| c) | Duration of the contracts /arrangements/ transactions | Ongoing transactions |
| d) | Salient terms of the contracts or arrangements or transactions, if any: | Sterling Investments (India Ltd has given interest free loan to revive the Company and Indistock Securities Ltd. is charging low brokerage @ 0.001% |
| e) | Date(s) of approval by the Board, if any: | 24/04/2019 |
| f) | Amount (Rs.) | Rs. 100 Lakhs |

Place: Mumbai

Date: 30th July 2020



For Board of Directors of Sterling Guaranty & Finance Ltd


 Dharmen Mehta
 Chairman

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

ANNEXURE- III

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|--|---|
| 1. | CIN | L65990MH1983PLC031384 |
| 2. | Registration Date | 21-11-1983 |
| 3. | Name of the Company | STERLING GUARANTY & FINANCE LIMITED |
| 4. | Category/Sub-category of the Company | Public company/ limited by shares/Indian Non-Government Company |
| 5. | Address of the Registered office & contact details | 91-A, Mittal Court, Nariman Point, Mumbai – 400021 Tel: 022-22840078/22840019/22840029 E-Mail : sterling.guaranty@gmail.com |
| 6. | Whether listed company | YES |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Purva Sharegistry (India) Pvt. Ltd. 9 Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near Lodha Exxelus, Lower Parel (East) Mumbai 400 011. Tel: 022-23018261/23016761 E-Mail : support@purvashare.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| | Advisory Consultancy & Financial Recoveries | 7411 | 100 |

*As there were no operation/business activities carried out during the year under report, the question of disclosure of business activities contributing 10% or more does not arise.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

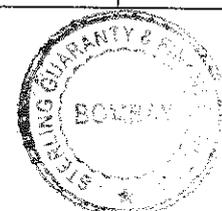
The Company does not have any Holding, Subsidiary and Associate Company during F.Y. 2019-20.

| SN | Name and Address of the company | CIN/GIN | Holding/Subsidiary/ Associate | % of shares held | Applicable Section |
|----|---------------------------------|---------|-------------------------------|------------------|--------------------|
| | N.A. | N.A. | N.A. | N.A. | N.A. |

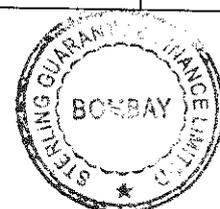


IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity
a) _Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year[As on 31-March-2019] | | | | No. of Shares held at the end of the year[As on 31-March-2020] | | | | % Change during the year |
|--|--|----------|-----------|-------------------|--|----------|-----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 10,92,284 | 100 | 10,92,384 | 16.71 | 10,92,384 | 0 | 10,92,384 | 16.71 | 0.00 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| d) Bodies Corp. | 20,20,968 | 4,454 | 20,25,422 | 30.98 | 20,25,422 | 0 | 20,25,422 | 30.98 | 0.00 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Sub – Total | 31,13,252 | 4,554 | 31,17,806 | 47.69 | 31,17,806 | 0 | 31,17,806 | 47.69 | 0.00 |
| (2) Foreign | | | | | | | | | 0.00 |
| a) NRIs –Individual | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| b) Other - Individual | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| c) Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| e) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Sub –Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Total shareholding of Promoter (A) =(A) 1 + (A) 2 | 31,13,252 | 4554 | 31,17,806 | 47.69 | 31,17,806 | 0 | 31,17,806 | 47.69 | 0.00 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| b) Banks / FI | 62,700 | 100 | 62,800 | 0.96 | 62,700 | 100 | 62,800 | 0.96 | 0.00 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |



| | | | | | | | | | |
|--|---|-----------|-----------|-------|----------|-----------|-----------|-------|--------|
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Financial | 0 | 700 | 700 | 0.01 | 0 | 700 | 700 | 0.01 | 0.00 |
| Sub-total (B)(1):- | 0 | 62,700 | 800 | 0.97 | 62,700 | 800 | 63,500 | 0.97 | 0.00 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| i) Indian | 0 | 4,32,036 | 4,32,036 | 6.61 | 1,29,199 | 2,29,287 | 3,58,486 | 5.48 | (0.01) |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| b) Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 0 | 27,92,058 | 27,92,058 | 42.71 | 1,36,674 | 26,55,130 | 27,91,804 | 42.70 | (0.01) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 0 | 1,31,700 | 1,31,700 | 2.01 | 15,235 | 1,88,300 | 2,03,535 | 3.11 | 0.00 |
| c) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Non Resident Indians | 0 | 0 | 0 | 0 | 500 | 0 | 500 | 0.01 | 0.00 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Clearing Members | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Foreign Bodies - D R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Hindu Undivided Family | 0 | 0 | 0 | 0 | 900 | 1,069 | 1,969 | 0.03 | 0.01 |
| Director & Their Relatives | 0 | 500 | 0 | 0.01 | 0 | 0 | 0 | 0 | 0.00 |
| Sub-total (B)(2):- | 0 | 33,56,294 | 33,56,294 | 51.34 | 2,82,508 | 30,73,786 | 33,56,294 | 51.34 | 0.01 |



| | | | | | | | | | |
|--|---|-----------|-----------|--------|-----------|-----------|-----------|--------|------|
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 0 | 34,19,794 | 34,19,794 | 52.31 | 3,45,208 | 30,74,586 | 34,19,794 | 52.31 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Grand Total (A+B+C) | 0 | 65,37,600 | 65,37,600 | 100.00 | 34,63,014 | 30,74,586 | 65,37,600 | 100.00 | 0.00 |

B) Shareholding of Promoter-

| Sr. No. | Name of the shareholder | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|--------------|-----------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|---|--|
| | | Number of shares | % of total shares of the company | % of shares pledge / encumbered to total shares* | No. of Shares | % of total Shares of the company | % of Shares pledged / encumbered to total shares* | |
| 1 | DHIREN DHIRAJLAL MEHTA | 9,14,401 | 13.99 | 0.00 | 9,14,401 | 13.99 | 0.00 | 0.00 |
| 2 | MEENA DHIREN MEHTA | 1,74,370 | 2.67 | 0.00 | 1,74,370 | 2.67 | 0.00 | 0.00 |
| 3 | DHARMEN DHIREN MEHTA | 3,113 | 0.05 | 0.00 | 3,113 | 0.05 | 0.00 | 0.00 |
| 4 | ADITI DHIREN MEHTA | 500 | 0.01 | 0.00 | 500 | 0.01 | 0.00 | 0.00 |
| 5 | COMPUTRON SYSTEMS PVT LTD | 1,50,000 | 2.29 | 0.00 | 1,50,000 | 2.29 | 0.00 | 0.00 |
| 6 | STERLING INVESTMENTS (INDIA) LTD. | 10,47,872 | 16.03 | 0.00 | 10,47,872 | 16.03 | 0.00 | 0.00 |
| 7 | INDISTOCK SECURITIES LTD. | 8,27,550 | 12.66 | 0.00 | 8,27,550 | 12.66 | 0.00 | 0.00 |
| TOTAL | | 31,17,806 | 47.69 | | 31,17,806 | 47.69 | 0.00 | |

C) Change in Promoters' Shareholding (please specify, if there is no change)

| SN | Particulars | Shareholding at the beginning of the year (As on 01-04-2019) | | Cumulative Shareholding during the year (01-04-2019 to 31-03-2020) | |
|----|-----------------------------------|--|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 31,17,806 | 47.69 | 31,17,806 | 47.69 |
| 1 | STERLING INVESTMENTS (INDIA) LTD. | 10,47,872 | 16.03 | 10,47,872 | 16.03 |
| 2 | DHIREN DHIRAJLAL MEHTA | 9,14,401 | 13.99 | 9,14,401 | 13.99 |
| 3 | INDISTOCK SECURITIES LTD | 8,27,550 | 12.66 | 8,27,550 | 12.66 |
| 4 | MEENA DHIREN MEHTA | 1,74,370 | 2.67 | 1,74,370 | 2.67 |
| 5 | COMPUTRON SYSTEMS PVT. LTD. | 1,50,000 | 2.29 | 1,50,000 | 2.29 |
| 6 | DHARMEN DHIREN MEHTA | 3,113 | 0.05 | 3,113 | 0.05 |
| 7 | ADITI DHIREN MEHTA | 500 | 0.01 | 500 | 0.01 |
| | At the End of the year | 31,17,806 | 47.69 | 31,17,806 | 47.69 |



Note : There is no change in the total shareholding of promoters between 01-04-2019 and 31-3-2020.
There were no inter Transfer among Promoters during F.Y. 2019-20.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | Name of the shareholder | Shareholding at the beginning of the year | | Date | Increase or Decrease in Shareholding | Reason | Cumulative shareholding during the year | |
|---------|--------------------------------|---|----------------------------------|------|--------------------------------------|--------|---|----------------------------------|
| | | Number of shares | % of total shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | Bhavna Holdings Pvt. Ltd. | 1,68,000 | 2.57 | | Nil | | 1,68,000 | 2.57 |
| 2 | Nirmal Bagri | 71,700 | 1.10 | | Nil | | 71,700 | 1.10 |
| 3 | Bank of India | 62,700 | 0.96 | | Nil | | 62,700 | 0.96 |
| 4 | Insure Electro (SMB) Pvt. Ltd. | 56,800 | 0.87 | | Nil | | 56,800 | 0.87 |
| 5 | Vinod Hingorani | 25,200 | 0.39 | | Nil | | 25,200 | 0.39 |
| 6 | Ellenbarrie Finlest Limited | 21,650 | 0.33 | | Nil | | 21,650 | 0.33 |
| 7 | Mahendra Vasantraai Doshi | 15,235 | 0.23 | | Nil | | 15,235 | 0.23 |
| 8 | Priya International Ltd. | 15,100 | 0.23 | | Nil | | 15,100 | 0.23 |
| 9 | Rakesh Dungarshi Shah | 15,100 | 0.23 | | Nil | | 15,100 | 0.23 |
| 10 | Santosh Kumar Jain | 15,100 | 0.23 | | Nil | | 15,100 | 0.23 |

E) Shareholding of Directors and Key Managerial Personnel:

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | DHIREN D. MEHTA Director Since resigned | | | | |
| | At the beginning of the year | 9,14,401 | 13.99 | 9,14,401 | 13.99 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | Nil | Nil | Nil | Nil |
| | At the end of the year | 9,14,401 | 13.99 | 9,14,401 | 13.99 |
| 2. | DHARMEN MEHTA DIRECTOR & Chairman | | | | |
| | At the beginning of the year | 3113 | 0.05 | 3113 | 0.05 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year | Nil | Nil | Nil | Nil |



| | | | | | |
|----|---|------|------|------|------|
| | specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | 3113 | 0.05 | 3113 | 0.05 |
| 3. | ADITI D. MEHTA Women Director-CFO | | | | |
| | At the beginning of the year | 500 | 0.01 | 500 | 0.01 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | Nil | Nil | Nil | Nil |
| | At the end of the year | 500 | 0.01 | 500 | 0.01 |

V INDEBTEDNESS –

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

| | Secured Loans excluding deposits | Unsecured Loans* | Deposits | Total Indebtedness |
|--|----------------------------------|---------------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | - | (Inter Corporate Deposit) | | |
| i) Principal Amount | - | 100.00 | - | 100.00 |
| ii) Interest due but not paid | - | NIL | - | - |
| iii) Interest accrued but not due | - | NIL | - | - |
| Total (i+ii+iii) | - | 100.00 | - | 100.00 |
| Change in Indebtedness during the financial year | | | | |
| Addition | - | - | - | - |
| Reduction | - | 16.26 | - | 16.26 |
| Net Change | - | (16.26) | - | (16.26) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | 83.74 | - | 83.74 |
| ii) Interest due but not paid | - | NIL | - | - |
| iii) Interest accrued but not due | - | NIL | - | - |
| Total (i+ii+iii) | - | 83.74 | - | 83.74 |

* Unsecured Loan represents the Inter Corporate Deposit borrowed by the Company



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Whole-time Directors:

B. The company has paid Remuneration including salary during the year to Whole-time Director Mr. Rajan Kumar Shah of Rs. 1.80 Lakhs.

B. Remuneration to other directors - NIL

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD :

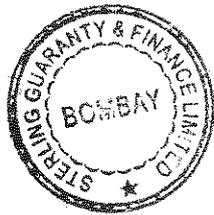
| SN | Particulars of Remuneration | Key Managerial Personnel | | | |
|----|---|--------------------------|-------------------|-----|--------|
| | | CEO | Company Secretary | CFO | Total |
| 1 | Gross salary | 180000 | 264000 | Nil | 444000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 180000 | 264000 | Nil | 444000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | Nil | Nil | Nil | Nil |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | Nil | Nil | Nil | Nil |
| 2 | Stock Option | Nil | Nil | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil | Nil | Nil |
| 4 | Commission | Nil | Nil | Nil | Nil |
| | - as % of profit | Nil | Nil | Nil | Nil |
| | others, specify... | Nil | Nil | Nil | Nil |
| 5 | Others, please specify | Nil | Nil | Nil | Nil |
| | Total | 180000 | 264000 | Nil | 444000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no instances of any penalties / punishment /compounding of offences for the year ended 31st March 2020.

Place : Mumbai

At: 28th Aug. 2020



By the Order of the Board
Sterling Guaranty & Finance limited

D D Mehta

Dharmen Mehta
Chairman

CEO/ CFO Certification:

Mr. Rajankumar Shah, CEO, Director and MS. Aditi D. Mehta, CFO of the Company. They has certified to the Board that:

- a. They have reviewed financial statements and cash flow statements for the year and that to the best of their knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together presents a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of their knowledge and belief, no transactions entered in to by the company during the period which are fraudulent, illegal or violate of the company's code of conduct.
- c. They have accept responsibility for establishing and maintaining internal controls for financial reporting and they have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. They have indicated to the auditors and the Audit committee.
 - I. significant changes in internal control during the year;
 - II. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - III. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For Sterling Guaranty & Finance Ltd

Sd/-

Mr. Rajankumar Shah
CEO & Director

For Sterling Guaranty & Finance Ltd

Sd/-

Ms. Aditi D. Mehta
CFO

Place: Mumbai

Date: 30-07-2020



REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2019-20

Company's Philosophy

The philosophy of the Company represents the value frame work, rules, practices by which Sterling conducts its business activities. It essentially involves balancing the interests of stakeholders in a company which include its shareholders, management, customers, government, lenders, creditors, and employees. The Company has a strong legacy of 35 plus years of fair, transparent and ethical governance practices. The Company was advised to do reduction of present Equity Capital by reducing face value of Equity shares from Rs. 10 to Rs.1 as net worth of the company became negative. It also planned to issue Rights Equity shares of face value of Rs.1 at par to raise Rs. 390 Lacs thereafter. BOD cancelled these proposal of Reduction of capital in the interest of public shareholders, though it was approved in 33rd AGM. Consequentially proposed of Rights issue of Rs. 390 lacs by Public Issue of Equity shares of Face Value of Rs.1 was cancelled. It was also propose to issue 15 lacs Equity shares of face value of Rs. 10 each for cash at par to the promoters by way of private placement provided BSE removes restrictions on trading by Promoters and on listed entity. As this is not done, the said offer stand cancelled. The Auditors appointed by BSE has confirmed that there is no financial irregularity or Diversion of funds of the Company.

Company Board decided in the Board Meeting held on 30th June 2020 that letter received from Sterling Investment India Ltd and Mr Dhiren Mehta that they will not be able to take Rs 150 lakh of proposed equity shares on private placement in view of financial difficulties arising on account of lockdown and Covid 19 and because of inordinate delay in the issue. Accordingly Special Resolution already passed in previous Annual General Meeting will be rescinded in the forthcoming Annual general meeting held for financial year 2019-20

The Company has also adopted a Code of Conduct for its employees including the CEO and has Code of conduct for its non-executive director including the Independent Director. It suitably incorporates their duties as laid down in the Companies Act, 2013 ("the Act"). Your Company is in compliance with Listing Agreement with BSE and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 aligned with Companies Act, 2013.

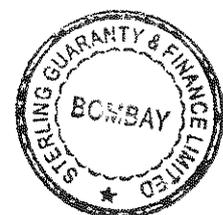
1. Board of Directors

The Board of Directors as at 31st March, 2020 comprised of Four Directors with CEO, CFO, CS and Women Independent Non-Executive Director. The Composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulation, 2015 and Section 149 of the Companies Act, 2013.

During the year, Eight Board Meetings were held on 25/04/2019, 27/05/2019, 02/08/2019, 05/09/2019, 14/11/2019, 25/11/2019, 28/01/2019, 28/02/2020

The Composition of the Board of Directors and their attendance at the Board Meetings during the year and the last Annual General Meeting are as follows:

| Name of the Director | Category of Director | No. of Board Meetings attended during 2019-20 | | Attendance at last AGM | No of directorship in other domestic Public Companies as a | | No. of Committee Chairmanship / Membership in other Companies as a | |
|----------------------|--------------------------|---|----------|------------------------|--|--------|--|--------|
| | | Held | Attended | | Chairman | Member | Chairman | Member |
| Mr. Dhiren D. Mehta | Chairman till 20/04/2020 | 8 | 8 | Yes | 2 | ---- | 3 | --- |
| Ms. Dharmen Mehta | Director & | 8 | 8 | Yes | 1 | 4 | ---- | --- |



| | after 20/04/2020 | | | | | | | |
|-----------------------|--|---|---|-----|---|---|---|---|
| Ms Aditi Mehta | Director with CFO | 4 | 8 | Yes | 2 | 1 | — | 2 |
| Mr Rajankumar Shah | Director with CEO | 8 | 8 | Yes | — | — | — | — |
| Ms. Savita D. Kumawat | Independent Director-Non Executive | 8 | 8 | Yes | — | — | — | — |

Note:

Mr Dhiren Mehta Resigned as Director and Chairman with effect from 20th April 2020

Ms Aditi Mehta Resigned as Director with effect from 3rd November 2019 and continue to act as CFO of the Company as honorary and without any remuneration.

Mr Bhaskar Pratap Raju was appointed as Additional Non-Executive Independent Director with effect from 23rd April 2020

Shareholding of Directors:

| Name of Directors | No. of Shares | % of the Capital |
|-------------------|---------------|------------------|
| Mr Dharmen Mehta | 3113 | 0.05 |

None of the Directors on the Company's Board is holding office of the Director in more than 20 (Twenty) Companies including 10 (Ten) Public Companies. Independent Directors are also not holding office of Director in more than 7 (Seven) Listed Companies. Further, none of the Director is a Member of more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees across all the companies in which he acts as Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2019 have been made by the directors.

Independent director is a non-executive director. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). The Independent Director has given declaration confirming that she meets the criteria as mentioned under SEBI (LODR) Regulation 2015 and Section 149(6) of the Act.

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

The Company has familiarization program for directors including Independent Director has been disclosed on the website of the Company - www.sterlingguaranty.com.

COMMITTEES OF THE BOARD

The Board of Directors had recently made changes in the composition of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee as per SEBI LODR Act 2015



1. Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the LODR read with Section 177 of the Act.

Terms of reference:

- The terms of reference of the Committee is aligned with the terms of reference provided under Section 177(4) of the Act and provisions of Regulation 18 of LODR.

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosure as well as the integrity and quality of the financial reporting.

The Committees is consisted of one independent Director Ms. Savita D. Kumawat and one Executive Director viz. Aditi D. Mehta. The Committee met on 10-08-2018, 26-10-2018, 29-01-2019 and 25-04-2019.

During the year, the attendance of the members at the meetings was as follows:

Old Committee Members

| Name of the Director | Status Meetings | | |
|-----------------------|----------------------|------|----------|
| | Category of Director | Held | Attended |
| Ms. Savita D. Kumawat | Chairman | 4 | 2 |
| Ms. Aditi D. Mehta | Member | 4 | 2 |

Revised Committee Members

| Sr. no: | Name of the member | Position | Category |
|---------|--------------------|---------------------|----------------------------|
| 1 | Bhaskar Raju | Chairman and Member | Non-Executive Ind Director |
| 2 | Savita Kumawat | Member | Non-Executive Ind Director |
| 3 | Dharmen Mehta | Member | Executive Director |

2. Nomination and Remunerations Committee:

Old Committee Members

The Committee consists of one Independent Directors viz. Ms. Savita D. Kumawat. Mr. Dhiren D. Mehta and Ms. Aditi D. Mehta as member. The Committee met on 14-09-2018 and 03-12-2018.

During the year, the attendance of the members at the meetings was as follows:

| Name of Members | Category | Status Meetings | |
|-----------------------|----------|-----------------|---|
| Mr. Dhiren D. Mehta | Chairman | 2 | 2 |
| Ms. Aditi D. Mehta | Member | 2 | 2 |
| Ms. Savita D. Kumawat | Member | 2 | 2 |



The Nomination & Remuneration Committee has been constituted to recommend / review remuneration of the Executive Director and KMP based on their performance and defined assessment criteria. Remuneration Policy of the Company is directed towards rewarding performance, based on the review of achievements. The Remuneration policy is in consonance with the existing Industry practice. No remuneration is paid to Chairman and CEO thus it is within the overall limit fixed under the law. As of now, the Company does not have any employee stock option plan. There were no other pecuniary relationships or transactions given to Non-Executive Director vis-à-vis the Company.

Revised Committee Members

| Nomination and Remuneration committee | | | |
|---------------------------------------|----------------|---------------------|-----------------------|
| 1 | Bhaskar Raju | Chairman and Member | Non Executive Ind Dir |
| 2 | Savita Kumawat | Member | Non Executive Ind Dir |
| 3 | Dharmen Mehta | Member | Executive Director |

The broad terms of reference are as under:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employee
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Remuneration Policy of the Company is directed towards rewarding performance, based on the review of achievements. The Remuneration policy is in consonance with the existing Industry practice. Directors are paid sitting fees of Rs.3,000. Rs. 7,000 is paid as travelling expenses for attending every Board Meetings, if they come out of Mumbai.

3 Stakeholders' Relationship Committee

The Committee consisted of two Independent Directors viz Ms. Savita D. Kumawat , as the Chairman. Ms. Aditi D. Mehta became member of the committee with effect from 03-12-2018. The Committee, inter alia, oversees and reviews all matters connected with the shares of the Company and looks into shareholders complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividend etc. The Committee oversees the performance and the working of the Secretarial Department and recommends measures for overall improvement in the quality of investor services. As on 31.03.2020, there was only Nil Investor Grievances remaining pending/ unresolved.

Revised Committee Members

| Stakeholder Relationship committee | | | |
|------------------------------------|----------------|---------------------|-----------------------|
| 1 | Bhaskar Raju | Chairman and Member | Non Executive Ind Dir |
| 2 | Savita Kumawat | Member | Non Executive Ind Dir |
| 3 | Dharmen Mehta | Member | Executive Director |



Independent Director Meeting

One separate meeting of Independent Director with KMP held on 30.06.2020 with KMP of the Company. Independent Directors at their meeting discussed following matters in relation to FY-2019-20:-

- Evaluation of performance of Non-Independent Director and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company;
- Evaluation of the quality, quantity, content and timelines of flow of information between management and the Board, for the Board to effectively and reasonably perform its duties.

General Body Meetings

Particulars of the last three Annual General Meeting held and Special Resolutions passed there at are as under.

35th AGM

The 35th Annual General Meeting for the year ended 31st March 2019 was held at Ashok Birla Board Room, Indian Merchant's Chamber, Church gate, Mumbai 400 021 on Monday, 30th September 2019 at 10.30 a.m.

- 1 To approve continuance of Ms. Aditi D. Mehta (DIN:01173259) as additional Woman Director and CEO, who retires as her appointment was for one year in 34th AGM, and being eligible, offers herself for re-appointment pursuant to Regulation 17(1a) of the Listing Regulations
- 2 To re-appoint Ms. Savita Dungaram Kumawat (DIN-08295644) as an Independent Director.
- 3 To approve related party transactions between the Company with Sterling Investments (India) Ltd. Indistock Securities Ltd and Indistock Financial Service Pvt. Ltd
- 4 To approve related party transactions between the Company with Sterling Investments (India) Ltd., Indistock Securities Ltd and Indistock Financial Service Pvt. Ltd
- 5 Rescindment Of The Following Resolutions Passed In 34 Agm And 33 Agm are required by Board Of Directors Recommends To Be Passed

Rescindment for Special Resolution passed for Private Placement to The Promoter and Increase Of Authorized Share Capital of the Company

34th AGM

The 34th Annual General Meeting for the year ended 31st March 2018 was held at Ashok Birla Board Room, Indian Merchant's Chamber, Church gate, Mumbai 400 021 on Friday, 28th December 2018 at 11.00 a.m.

1. AGM Approved the Change in Name of the Company as stated in Notice by way of expediency. However later it was found it not necessary and hence Board of Directors recommended to Rescind in 35th AGM.
2. AGM Approved the alteration of the object clause of the Memorandum of Association of the Company by removing the existing object clause of Leasing & Hire purchase business and approving the Dealing in Securities, and Dealing in stress Assets and Giving legal and Investments advisory services as main object.
3. AGM approved deletion in Articles of Association of the Company that Dhiren D. Mehta permanent Director is not liable to retire by rotation and Article 112 & 114 were deleted. Which gave powers to appoint the Promoters to appoint four Directors.



4. AGM approved in principal to the Board of Directors to consider delisting of Company's shares from BSE. As on date Board of Directors do not advise to go for Voluntary Delisting of equity shares of the company from BSE, as Company propose to issue Equity shares by Private Placement

33rd AGM

The 33rd Annual General Meeting for the year ended 31st March 2017 was held at office of Indistock Securities Ltd. 91 A Mittal Court, Nariman Point Mumbai –400021 on Friday, 29th September 2017 at 11.00 a.m.

1. AGM approved for Reduction of face value of issued subscribed Equity Shares of the Company from Rs. 10 to Rs. 1. However Board of Directors later decided not to do in the interest of shareholders and hence it is being recommended to Rescind in 35th AGM.
2. The AGM approved the special resolution to dematerialize the Equity shares of the Company as required by the Companies Act, 2013 and SEBI.
3. The Resolution was passed for issue of rights equity shares as stated in the Notice. However Board of Directors found it not practical as Company is having negative net worth and hence Board of Directors has recommended to Rescind it in 35th AGM.
4. Approval of resolution for Alteration of Memorandum and Articles of Association to change Authorized Equity Share Capital to face value of Rs. 1 is being rescinded as Face value is not recommended to change. Therefore Board of Directors has recommended to rescind the resolution in the 35th AGM.

There was no Special Resolution was passed.

There was no Extra Ordinary General Meeting held during F.Y. 2019-20.

All the resolutions, including special resolution(s) set out in the respective notices were passed by the Shareholders, with requisite majority.

None of the items transacted at the said meetings were required to be passed by postal ballot at the forthcoming Annual General Meeting to be held.

Disclosure of Related Party Transactions:

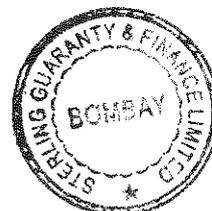
- a) There were no significant related party transactions that may have potential conflict with the interest of the Company at large.
- b) No penalties or strictures have been imposed on the Company by SEBI or any Statutory Authority on any matter related to capital markets.

Compliance of Mandatory Requirements:

The Company has materially complied with the mandatory requirements as stipulated in LODR

Compliance of Non-Mandatory Requirements:

The Company has not adopted any non-mandatory requirements.





Code of Conduct:

The Board of Directors of the Company has adopted Code of Conduct for all Board Members of the Company and Senior Management. The Board Members have affirmed compliance to the Code of Conduct. The Company has been posting on its website, the Code of Conducts adopted by its Directors.

Means of Communication:

The quarterly, half-yearly and yearly financial results of the Company are normally sent to the BSE, immediately after the same are approved by the Board. Though, due to financial constraints the results could not be published in newspapers, they are submitted to the BSE in accordance with the Listing Agreement and are supplied through E-Mail & posts to the Shareholders, on demand.

General Shareholder Information:

- (a) 36th Annual General Meeting
Date and Time and Venue : 29th September, 2020 at 11.30 A.M.
: 91, A, Mittal Court, Nariman Point
Mumbai 400 021.
- (b) Financial Year: : Year ended March 31, 2020
- (c) Dates of Book Closure : 23/09/2020 to 29/09/2020
- (d) Dividend payment Date : Not Applicable
- (e) Listing on Stock Exchange : BSE Limited, Mumbai
- (f) Company Code : 508963
- (h) Registrar & Transfer Agents : Purva Sharegistry (India) Pvt. Ltd.
9 Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Near Lodha Excelus,
Lower Parel East, Mumbai-400 011.
Email : support@purvashare.com
Telephone No. 022-23018261/23016761
Website : www.purvashare.com

- (j) **Share Transfer System :**
Shares lodged for transfer in physical form are processed and duly transferred Share Certificates are sent within 15 days of receipt of the valid documents. The Shares are transferred at an interval of 15 days time.

- (j) **Distribution of Shareholding :**

(a) The Distribution of Shareholding as on 31st March 2020

| No. of Shares held | | No of Shareholders | | Share Amount | |
|--------------------|-------|--------------------|------------|----------------|------------|
| No. | No. | Number | % of total | (in Rs.) | % to Total |
| Upto | 5000 | 14,214 | 95.18 | 1,96,14,200.00 | 30.00 |
| 5001 | 10000 | 450 | 3.01 | 34,60,320 | 5.29 |
| 10001 | 20000 | 167 | 1.12 | 24,38,900 | 3.73 |

| | | | | | |
|--------------|-----------|---------------|---------------|--------------------|---------------|
| 20001 | 30000 | 47 | 0.31 | 11,75,950 | 1.80 |
| 30001 | 40000 | 14 | 0.09 | 5,09,390 | 0.78 |
| 40001 | 50000 | 4 | 0.03 | 1,88,730 | 0.29 |
| 50001 | 100000 | 13 | 0.09 | 8,78,730 | 1.34 |
| 100001 | and above | 25 | 0.17 | 3,71,09,780 | 56.76 |
| Total | | 14,934 | 100.00 | 6,53,76,000 | 100.00 |

(b) Shareholding Pattern as on 31st March 2020

(i) Outstanding GDRs / ADRs : Not Applicable Warranty

| Category Code | Category of shareholder | No. of shareholder | Total No. of Shares | % to total |
|---------------|---|--------------------|---------------------|------------|
| (A) | Shareholding of Promoter and Promoters Group | | | |
| 1. | Indian | 7 | 31,17,806 | 47.69 |
| 2. | Foreign | 0 | 0 | 0.00 |
| | Sub Total | 7 | 31,17,806 | 47.69 |
| (B) | Public Shareholding | | | |
| 1. | Institution | 3 | 63,500 | 0.97 |
| 2. | Non Institution | 14924 | 33,56,294 | 51.34 |
| | Sub Total | 14934 | 34,19,794 | 52.31 |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued | | | |
| 1. | Promoter and Promoter Group | 0 | 0 | 0.00 |
| 2. | Public | 0 | 0 | 0.00 |
| | Sub Total | 0 | 0 | 0.00 |
| | Grand Total A+ B + C | 14934 | 65,37,600 | 100.00 |

(k) Address of Correspondence: Registrar & Transfer Agents Purva Sharegistry (India) Pvt. Ltd.

9 Shiv Shakti Industrial Estate,
J. R. Boricha Marg,
Near Lodha Execelus,
Lower Parel East, Mumbai-400 011.
Email : support@purvashare.com
Telephone No. 022-23018261/23016761
Website : www.purvashare.com

OR

Sterling Guaranty & Finance Limited
91-A, Mittal Court, Nariman Point, Mumbai 400 021.

For & On behalf of the Board of Directors

Place: Mumbai



D D Mehta
Dharmen D Mehta
Chairman
(DIN : 00036787)

date: 25th Aug. 20.

J.H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

4/9, Shreepati Arcade annexe-3, 22, A.K. Marg, Nana Chowk, Mumbai – 400036

Mob No. 9819660855 Email ID: jinal.parikh@ymail.com

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, 2020, 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, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

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.

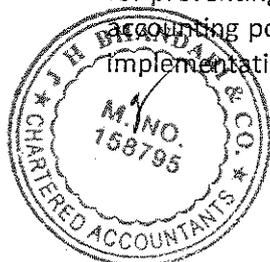
Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

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



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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.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

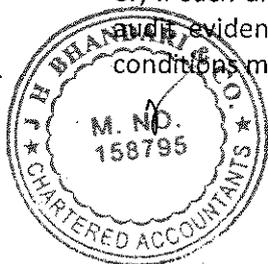
The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from 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.
- 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.



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- 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- 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, 2020 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) 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



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“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: 30/7/20

UDIN: 20158795 AAAAAL7092



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, 2020, 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.

Meaning of Internal Financial Controls over Financial Reporting



J.H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

4/9, Shreepati Arcade annexe-3, 22, A.K. Marg, Nana Chowk, Mumbai – 400036

Mob No. 9819660855 Email ID: jinal.parikh@ymail.com

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 policies or procedures may deteriorate.

Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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.

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

Place: Mumbai

Date: 30/7/20

UDIN: 20158795 AAAAAL7092



Jinal Bhandari
Proprietor
Membership No: 158795

J.H. BHANDARI & CO.

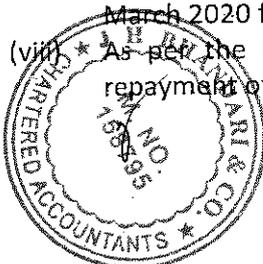
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Mob No. 9819660855 Email ID: jjinal.parikh@ymail.com

“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 2020, 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, 2020 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 2020 for a period of more than six months from the date they became payable.
- (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.



J.H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

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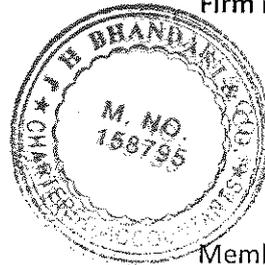
- (ix) As per the information and explanation given to me, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information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

Place : Mumbai

Date : 30/7/20

UDIN: 20158795AAAAA27092



Jinal

Jinal Bhandari
Partner
Membership No: 158795

STERLING GUARANTY & FINANCE LIMITED
Balance Sheet as on 31st March, 2020

| Particulars | Note No. | 31-03-2020 | 31-03-2019 |
|------------------------------------|----------|--------------------|--------------------|
| ASSETS | | | |
| Non - Current Assets | | | |
| Property, Plant and Equipment | | | |
| Capital Work-In-Progress | | | |
| Investment Properties | | | |
| Goodwill | | | |
| Other Intangible Assets | | | |
| Financial Assets | | | |
| Investments | | | |
| Loans and Advances | | - | |
| Other Financial Assets | | | |
| Deferred Tax Assets (Net) | | | |
| Other Non-Current Assets | | | |
| Total Non-Current Assets | | - | - |
| Current Assets | | | |
| Inventories | 1(a) | - | 16,96,144 |
| Financial Assets | | | |
| i. Investments | | | |
| ii. Trade Receivables | | - | - |
| iii. Cash and Cash Equivalents | 1(b) | 1,05,075 | 10,00,070 |
| iv. Loans and Advances | 1(c) | 92,881 | 66,115 |
| v. Other Financial Assets | | | |
| Other Current Assets | 1(d) | 31,843 | 11,74,828 |
| Assets classified as held for sale | | | |
| Total Current Assets | | 2,29,799 | 39,37,157 |
| Total Assets | | 2,29,799 | 39,37,157 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity Share Capital | 2(a) | 6,53,76,000 | 6,53,76,000 |
| Other Equity | | | |
| Reserves & Surplus | 2(b) | (7,39,97,083) | (7,21,95,517) |
| Other Reserves | | | |
| Total Equity | | (86,21,083) | (68,19,517) |
| LIABILITIES | | | |
| Non-Current Liabilities | | | |
| Financial Liabilities | | | |



| | | | |
|--|-------|------------------|--------------------|
| i. Borrowings | 3(a) | 83,74,487 | 1,00,00,000 |
| ii. Other Financial Liabilities | 3 (b) | - | 6,47,408 |
| Provisions | | | |
| Employee Benefit Obligations | | | |
| Deferred Tax Liabilities | | | |
| Government Grants | | | |
| Other Non Current Liabilities | | | |
| Total Non Current liabilities | | 83,74,487 | 1,06,47,408 |
| 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 | 4,76,395 | 1,09,266 |
| Liabilities directly associated with assets classified held for sale | | | |
| Total Current Liabilities | | 4,76,395 | 1,09,266 |
| Total Liabilities | | 4,76,395 | 1,09,266 |
| Total Equity and Liabilities | | 2,29,799 | 39,37,157 |

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

As per our Report of even date

For and on behalf of the Board

For J H Bhandari & Co.

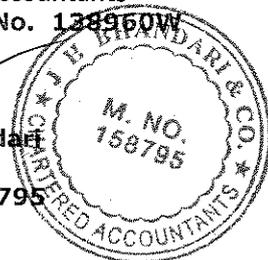
Chartered Accountants

Firm Reg. No. 138960W

Jinal Bhandari

Proprietor

M. No. 158795



[Signature]

Dharmen Mehta

Chairman

DIN:36787

[Signature]

Rajankumar Shah

Director

DIN:8619751

[Signature]

Nandini Chauhan

Company Secretary

ACS No. A-45504



Place: Mumbai

Date: 30/7/20

UDIN: 20158795 AAAAAL7092

Place: Mumbai

Date: 30/7/20

STERLING GUARANTY & FINANCE LIMITED
Statement of Profit and Loss for the 31st March, 2020

| Particulars | Note No. | Year Ended 31/03/2020 | Year Ended 31/03/2019 |
|--|----------|--------------------------|--------------------------|
| Revenue from Operations | 5 | 1,38,967 | 13,08,699 |
| Other Income | 6 | 3,01,405 | 15,59,529 |
| Other Gains/ (Losses)- Net | | - | |
| Total income | | 4,40,372 | 28,68,228 |
| Expenses | | | |
| Cost of Material consumed | | - | - |
| Loss of stock-in-trade | 7 | 75,392 | 28,18,734 |
| Change in Inventories of work-in-progress, stock in trade and finished goods | | - | (16,96,144) |
| Employee Benefits expenses | | 5,50,303 | 3,48,250 |
| Finance Cost | 8 | 33,005 | 603 |
| Depreciation and Amortization expense | | - | - |
| Other Expenses | 9 | 15,83,238 | 12,11,827 |
| Total Expenses | | 22,41,938 | 26,83,270 |
| Profit/(loss) before exceptional items and tax | | (18,01,566) | 1,84,958 |
| Exceptional Items | | | |
| Profit Before Tax | | (18,01,566) | 1,84,958 |
| Income tax Expenses | | | |
| - Current Tax | | - | - |
| - Deferred Tax | | - | - |
| Profit (Loss) for the period from continuing operations | | (18,01,566) | 1,84,958 |
| XIII. Profit (Loss) for the period | | (18,01,566) | 1,84,958 |



STERLING GUARANTY & FINANCE LIMITED
Cash Flow Statement for the year ended 31st March, 2020

| Particulars | Year ended 31st March, 2020 | Year ended 31st March, 2019 |
|---|--------------------------------|--------------------------------|
| Cash flow from operating activities | | |
| Profit for the year | (18,01,566) | 1,84,958 |
| Adjustments for | | |
| Depreciation and amortization expense | | |
| Deposits | - | 29,60,000 |
| Decrease / (Increase) in Trade Receivables | | |
| Decrease / (Increase) in Inventories | 16,96,144 | (16,96,144) * |
| (Decrease) / Increase in Trade Payables | (6,47,408) | - |
| (Decrease) / Increase in Other Current liabilities | | 90,016 |
| (Decrease) / Increase in Short Term Loans and Advances | 22,715 | (66,115) |
| (Decrease) / Increase in Other Current Assets | (11,42,985) | (11,74,828) |
| Cash generated from operations | | |
| Income taxes paid | | |
| Net cash flow from operating activities | (18,73,100) | 2,97,887 |
| 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 | - | |
| 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 | 16,25,513 | - |
| Net increase/ decrease in cash and cash equivalents | (2,47,587) | 2,97,887 |
| Cash and cash equivalents at beginning of the financial year | 3,52,662 | 54,775 |
| Effects of exchange rate changes on cash and cash equivalents | | |
| Cash and cash equivalents at end of the year | 1,05,075 | 3,52,662 |
| 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, 2020 | 31 March, 2019 |
| Cash and cash equivalents (note 1(b)) | 1,05,075 | 10,00,070 |
| Bank Overdrafts (note 3(b)) | - | (6,47,408) |
| Balances as per statement of cash flows | 1,05,075 | 3,52,662 |

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

As per our Report of even date

For J H Bhandari & Co.

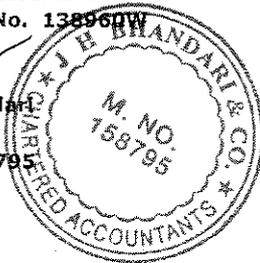
Chartered Accountants

Firm Reg. No. 138860W

Jinal Bhandari

Proprietor

M. No. 158795



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: 30/1/20

Place: Mumbai

Date: 30/1/20



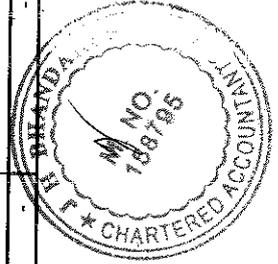
STERLING GUARANTY & FINANCE LIMITED
Statement of changes in equity for the year ended 31st March, 2020

A. Equity share capital

| Particulars | Notes | |
|---------------------------------|-------|-------------|
| As at 1 April 2018 | | 6,53,76,000 |
| Changes in equity share capital | 2 | - |
| As at 31 March 2019 | | 6,53,76,000 |
| Changes in equity share capital | 2 | - |
| As at 31 March 2020 | | 6,53,76,000 |

B. Other equity

| Particulars | Other Equity | | | | Total |
|---|----------------------|----------------------------|----------------------------|---|----------------------|
| | Reserves and Surplus | | Other comprehensive income | | |
| | Retained Earnings | Securities premium account | Statutory reserve | Equity Instruments through other comprehensive income | |
| Balance as at April 1, 2018 | (8,41,34,017) | 1,04,88,542 | 12,65,000 | - | (7,23,80,475) |
| Profit for the year | 1,84,958 | - | - | - | 1,84,958 |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income for the year | (8,39,49,059) | 1,04,88,542 | 12,65,000 | - | (7,21,95,517) |
| 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, 2019 | (8,39,49,059) | 1,04,88,542 | 12,65,000 | - | (7,21,95,517) |



| Particulars | Number of shares | Amount |
|--------------------------|------------------|-------------|
| As at 1 April 2018 | 65,37,600 | 6,53,76,000 |
| Increase during the year | - | - |
| As at 31 March 2019 | 65,37,600 | 6,53,76,000 |
| Increase during the year | - | - |
| As at 31 March 2020 | 65,37,600 | 6,53,76,000 |

(i) Movement in equity share capital

| Particulars | Number of shares | Amount |
|--------------------------|------------------|-------------|
| As at 1 April 2018 | 6,53,76,000 | 6,53,76,000 |
| Issued during the year | - | - |
| As at 31 March 2019 | 6,53,76,000 | 6,53,76,000 |
| Increase during the year | - | - |
| As at 31 March 2020 | 6,53,76,000 | 6,53,76,000 |

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

| Particulars | 31 March, 2020 | | 31 March, 2019 & 1st April, 2018 | |
|----------------------------------|----------------|-----------|----------------------------------|-----------|
| | 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, 2020 | | 31 March, 2019 | |
|---------------------------------------|----------------|---------------|----------------|---------------|
| | | | | |
| 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 | | (8,39,49,059) | (8,41,34,017) | |
| Profit /Loss for the year | | (18,01,566) | 1,84,958 | (8,39,49,059) |
| Total reserves and surplus | | (7,39,97,083) | | (7,21,95,517) |



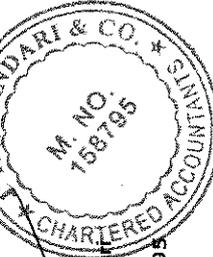
| Particulars | Other Equity | | | | | | Total |
|---|----------------------|----------------------------|----------------------------|----------------------------|---|---|-------|
| | Reserves and Surplus | | Other comprehensive Income | | Equity Instruments through other comprehensive income | Other items of other comprehensive income | |
| | Retained Earnings | Securities premium account | Statutory reserve | Other comprehensive Income | | | |
| 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) | |

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. 128960W



Jinal Bhandari
Proprietor
M. No. 158795

Place: Mumbai
Date: 30/7/20

For and on behalf of the Board

JH Mehta
Dharmen Mehta
Chairman
DIN:36787

R. Shah
Rajankumar Shah
Director
DIN:8619751

Nandini Chauhan
Nandini Chauhan
Company Secretary
ACS No. A-45504
Place: Mumbai
Date: 30/7/20



STERLING GUARANTY & FINANCE LIMITED
Notes to the financial statements for the year ended March 31, 2020

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 852.87 lacs (Previous year 8.57 lacs). The Company has interest free borrowings from the promoter company Sterling Investments (India) Ltd. of Rs 100.00 Lacs as on date (Previous Year 70.40 Lacs). The Company has done total expenses of Rs 851.06 Lacs (previous year Rs. 9.50 Lacs).

The Reserve Bank of India by its letter dated 17/02/2016 has advised the Company to Surrender the Certificate of Registration(COR) Bearing No.13.01229 dated on 20/04/1999 which is surrender on 03/04/2018. The Company has not been doing any NBFI business as per the direction issued by the RBI since 2006. The Company is not having any public deposit nor any public financial outstanding as on 31/03/2019. During the Year equity shares of the Company are demated (ISIN No. INE668Y01016). Promoters holdiing 47.69%. (No. of shares 3117806) out of this no of sahres 3117806 i.e.100% of these shares have 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

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.

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.

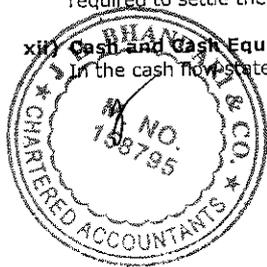
x) Provisions and Contingent Liabilities

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).

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, 2019 and March 31 2018.

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 | - | - | - | - |
| Sterling Investments (India) Limited | 1,00,00,000 | 35,00,000 | 54,30,000 | 80,70,000 |
| Previous Year | (70,40,000) | (29,60,000) | - | (1,00,00,000) |
| Indistock Financial Services Pvt. Ltd | - | - | - | - |
| Previous Year | (2,75,000) | - | (2,75,000) | - |
| GI Power Corp Ltd | - | - | - | - |
| Previous Year | - | - | - | - |
| | 1,00,00,000 | 36,50,000 | 54,30,000 | 82,20,000 |

OTHER TRANSACTIONS

| | Nature | Volume of transaction (Net) (Rs.) | | Balance at the year end (Rs.) | |
|----------------------------------|---------------------------------|-----------------------------------|---------------|-------------------------------|---------------|
| | | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| Indistock Securities Limited | Purchase Of Securities (Broker) | 17,04,98,014 | 8,43,16,193 | 20,286 | 7,05,152 |
| | Sale Of Securities (Broker) | 17,22,95,236 | 8,37,31,436 | | |
| Indistock Securities Limited | Reimbursement Of Expenditure | 20,286 | 2,12,976 | 1,54,487 | 27,640 |
| | Advisory Fees | 1,50,000 | 2,00,000 | | |
| Sterling Investments (India) Ltd | | | | - | - |
| | Advisory Fees | 50,000 | 2,00,000 | | |
| GI Power Corp Ltd | | | | - | - |
| | Advisory Fees | 50,000 | 2,00,000 | | |

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 158960W

For STERLING GUARANTY & FINANCE LTD.

Jinal Bhandari
Proprietor
M. No. 158795



Dharmen Mehta
Chairman
DIN:36787

Rajankumar Shah
Director
DIN:8619751

Nandini Chauhan
Company Secretary
ACS No. A-45504



Place: Mumbai
Date: 30/7/20

Place: Mumbai
Date: 30/7/20

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 31.03.2019 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 surrendered 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, 2020 | For the year March 31, 2019 |
|---------------------------------------|--------------------------------|--------------------------------|
| Profit / (Loss) after tax | (18,01,566.00) | 1,84,958.00 |
| Weighted Number of Shares (nos.) | 65,37,600 | 6,53,76,000 |
| EPS (Rs.) | | |
| Basic/Diluted Earning Per Share (Rs.) | (0.28) | 0.003 |
| Face value per share (Rs.) | 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 remains NBFC till then. The Company yet remains NBFC. 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. 2019-20

As per our Report of even date

For J H Bhandari & Co.

Chartered Accountants

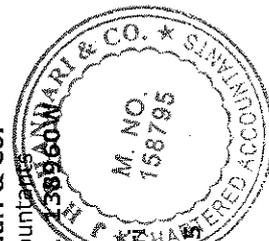
Firm Reg. No. 130560W

M. No. 158795

Jinal Bhandari

Proprietor

M. No. 158795



For and on behalf of the Board

[Signature]

Dharmen Mehta

Chairman

DIN:36787

[Signature]

Rajankumar Shah

Director

DIN:8619751



[Signature]

Nandini Chauhan

Company Secretary

ACS No. A-45504

Place: Mumbai

Date: 30/7/20

Place: Mumbai

Date: 30/7/20

1 a) Inventories

| Particulars | No of Shares | 31 March, 2020 | 31 March, 2019 |
|--|--------------|----------------|------------------|
| Stock In Trade | | | |
| Quoted Equity Shares : Valued at Fair Value | | | |
| Hindalco Industries Ltd | 1,500 | - | 3,08,250 |
| Mangalore Refinery & Petro Chemicals Ltd | 4,000 | - | 2,97,200 |
| Reliance Industries Ltd | 800 | - | 10,90,600 |
| Quoted Preference Shares : Valued at Fair Value | | | |
| JSW Steel Limited | 20 | - | 94 |
| Fair Value Of Total Financial Assets | 6,320 | - | 16,96,144 |
| Cost of the Above Financial Assets | 6,320 | - | 15,15,400 |

Note : Stock of Trading Securities valued at Fair Value

1 b) Cash and cash equivalents

| Particulars | 31 March, 2020 | 31 March, 2020 |
|---|-----------------|------------------|
| Balances with banks | | |
| - in current accounts | 86,005 | - |
| - in EEFC account | - | - |
| Deposit with maturity of more than three months @7.4% p.a | - | 10,00,000 |
| Cash on hand | 19,070 | 70 |
| Total cash and cash equivalents | 1,05,075 | 10,00,070 |

1 c) Loans & Advances

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| Advance Tax & TDS | | |
| - Advance Tax for Ass. Yr. 20-21 | 26,766 | - |
| - T D S for Ass. Yr. 19.20 | 66,115 | 66,115 |
| Total cash and cash equivalents | 92,881 | 66,115 |

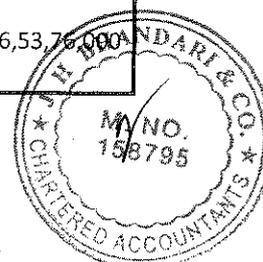
1 d) Other Current Assets

| Particulars | 31 March, 2020 | 31 March, 2019 |
|-----------------------------------|----------------|------------------|
| Other Current Assets | | |
| - Margin with Stock Broker | 20,287 | 7,05,152 |
| - Indistock Secueities Ltd | - | 27,640 |
| - Advisory Fees Receivable | - | 4,32,000 |
| - Interest Receivable | 11,556 | 10,036 |
| Total Other Current Assets | 31,843 | 11,74,828 |

2) Equity

2 a) Equity Share Capital

| Particulars | 31 March, 2020 | 31 March, 2019 |
|---|----------------|----------------|
| | Amount | Amount |
| Authorised | | |
| 2,50,000 (P.Y. 2,50,000) Preference Shares of Rs. 10 each | 25,00,000 | 25,00,000 |
| 67,50,000 (P.Y. 67,50,000) Equity Shares of Rs. 10 each | 6,75,00,000 | 6,75,00,000 |
| Issued Subscribed & Paid up | | |
| 65,37,600 (P.Y. 65,37,600) Equity Shares of Rs. 10 each fully paid up | 6,53,76,000 | 6,53,76,000 |



3 Financial Liabilities

3(a) Non Current Borrowings

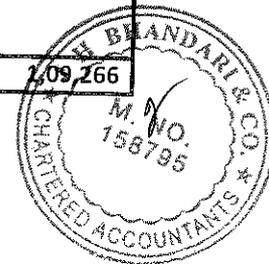
| Particulars | Interest Rate | 31 March, 2020 | 31 March, 2019 |
|---|---------------|------------------|--------------------|
| Secured | | | |
| Term loans | | | |
| -Banks | | | |
| -Other parties | | | |
| Deposits | | | |
| Unsecured | | | |
| From Director | | | |
| Dhiren Mehta | | 1,50,000 | |
| From Others | | | |
| Indistock Securities Limited | | 1,54,487 | |
| Sterling Investments (India) Ltd (Promotor) | | 80,70,000 | 1,00,00,000 |
| Total Non Current Borrowings | | 83,74,487 | 1,00,00,000 |

3(b) Current Borrowings

| Particulars | Interest Rate | 31 March, 2020 | 31 March, 2019 |
|--|---------------|----------------|-----------------|
| Loans repayable on demand from Banks | | | |
| Secured | | | |
| HDFC Bank - Overdraft Facility | 9.40% | - | 6,47,408 |
| (Secured against pledge of Bank Fixed Deposit Receipt) | | | |
| Total current borrowings | | - | 6,47,408 |

4) Other Current Liabilities

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|-----------------|-----------------|
| Statutory Tax payables | 24,864 | 79,266 |
| Audit Fees Payable | 11,800 | 30,000 |
| Outstanding Laibilities for Expenses | 4,39,731 | |
| Total Other Current Liabilities | 4,76,395 | 1,09,266 |



5) Revenue from operations

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|-----------------|------------------|
| Profit on sale of Securities (Derivatives) | 1,38,967 | 13,08,699 |
| Total Revenue from Operations | 1,38,967 | 13,08,699 |

6) Other Income

| Particulars | 31 March, 2020 | 31 March, 2019 |
|---|-----------------|------------------|
| Advisory Fees Received | 2,50,000 | 6,00,000 |
| Dividend Income | 9,275 | 23,100 |
| Bank Interest | 42,130 | 11,151 |
| Shares earlier written off now written back | - | 9,25,278 |
| Total Other Income | 3,01,405 | 15,59,529 |

7) Purchase of Stock-in-Trade

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|------------------|
| Loss on Sale of Securities (CM) | 75,392 | (16,135) |
| Purchase of Stock-in-Trade (Cash Market) | - | 28,34,869 |
| Total Other Income | 75,392 | 28,18,734 |

8) Finance Cost

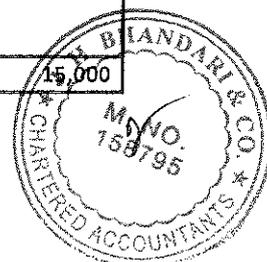
| Particulars | 31 March, 2020 | 31 March, 2019 |
|--------------------|----------------|----------------|
| Bank Interest Paid | 33,005 | 603 |
| Total | 33,005 | 603 |

9) Other Expenses

| Particulars | 31 March, 2020 | 31 March, 2019 |
|---|------------------|------------------|
| Annual Listing & Registration Fees | 4,74,360 | 3,13,600 |
| Payment to Auditors (note 9.a) | 11,800 | 15,000 |
| Legal & Professional Fees | 2,03,300 | 93,370 |
| Miscellaneous Expenses | 54,542 | 25,739 |
| Telephone, Postage Expense | 1,91,088 | 7,176 |
| Printing and stationery | 2,72,842 | 47,709 |
| Interest on GST | - | 444 |
| Conveyance Expenses | - | 1,000 |
| Directors Sitting Fees | 30,000 | 12,000 |
| Travelling Expenses | 40,607 | 21,000 |
| Other Expenses | 13,889 | - |
| Other Charges (CDSL, NSDL, RTA Charges) | 2,90,810 | 6,74,789 |
| Total | 15,83,238 | 12,11,827 |

9. a) Details of payment to auditors

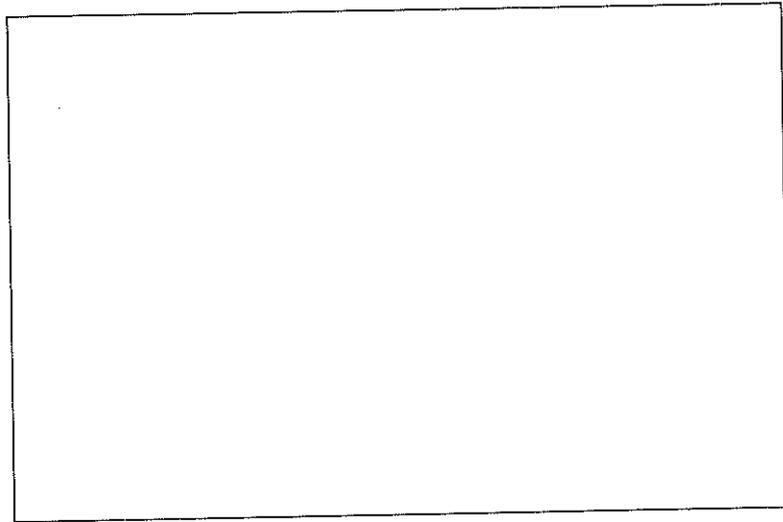
| Particulars | 31 March, 2020 | 31 March, 2019 |
|----------------------|----------------|----------------|
| Statutory Audit Fees | 11,800 | 15,000 |
| Total | 11,800 | 15,000 |



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