

# ROSELABS FINANCE LIMITED

Lodha Excelus, N.M Joshi Marg, Mahalaxmi, Mumbai 400 011.

Date: 7<sup>th</sup> February, 2017

The Listing Dept.,  
Bombay Stock Exchange Limited  
Phiroze Jeejebhoy Towers, Dalal Street,  
Mumbai 400 001.

**Scrip Code: 531324**

Dear Sirs,

**Sub: Unaudited Financial Results for the Quarter and Nine Months ended 31<sup>st</sup> December, 2016**

In continuation of our letter dated 24<sup>th</sup> January, 2017 and pursuant to Regulations 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we are enclosing the Unaudited Financial Results of the Company for the Quarter and Nine Months ended 31<sup>st</sup> December, 2016 duly approved by the Board of Directors of the Company, at its meeting held today. The meeting of the Board of Directors of the Company commenced at 6.30 p.m. and concluded at 7.00 p.m.

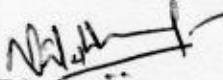
We also enclose a copy of the Limited Review Report of the Auditors of the Company, as required under Regulation 33 of the Listing Regulations.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,

**For Roselabs Finance Limited**

  
Director



Encl: As above

### Limited Review Report

Review Report to  
The Board of Directors of  
Roselabs Finance Limited

1. We have reviewed the accompanying statement of unaudited financial results of Roselabs Finance Limited ('the Company') for the quarter ended and nine months ended 31<sup>st</sup> December, 2016 (the "Statement"), being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Agreement). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these unaudited financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Basis for Qualified Conclusion:  
Our limited review report on the unaudited financial results of the Company for the quarter ended and nine months ended 31<sup>st</sup> December, 2016 is qualified in respect of the matters stated below:  
As detailed in Note 4 of the Unaudited Financial Results, trade receivables of Rs. 1,200.00 Lakhs are doubtful of recovery and have not been provided for in the books of account. Had the aforesaid provision been considered by the Company, the Net Loss for the quarter and nine months would have been higher by the said amount.
4. Based on our review conducted as above, subject to the effects of our observations given in paragraph 3, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

The Ruby, Level 9, North West Wing,  
Senapati Bapat Marg, Dadar (W),  
Mumbai - 400028, INDIA  
Tel: +91 22 3332 1600



# MZSK

## & Associates

Chartered Accountants

5. We draw attention to Note 2 & Note 3 to the unaudited financial results with regards to:
- Receipt of Income Tax Demand of Rs. 119.74 Lakhs towards penalties under Section 271D of the Income Tax Act, 1961 and the Company has filed appeal there against with Commissioner of Income Tax (Appeals), Mumbai. No provision has been made for the same, as in the opinion of the management, based on expert opinion obtained and decision by the Appellate Tribunals and Courts in similar matter the same is not sustainable.
  - The Company has received letter from Reserve Bank of India (RBI) dated 24th August, 2016 suggesting to apply for voluntary exit from NBFC business due to Net Owned Fund (NOF) being negative. However, the Company has replied to RBI vide letter dated 20th September, 2016 along with Business Plan for increasing the Net owned Funds and has sought time upto 31<sup>st</sup> March, 2017.

Our report is not qualified in respect of this matter.

For MZSK & Associates  
Chartered Accountants  
Firm Registration No. 105047W



A handwritten signature in black ink, appearing to read "Abuali Darukhanawala".

Abuali Darukhanawala  
Partner  
Membership No.: 108053  
Place: Mumbai  
Date: 7<sup>th</sup> February, 2017

**ROSELABS FINANCE LIMITED**

CIN - L67120GJ1995PLC024070

Regd. Office : 416, Arand Mangal Complex, B/H, Ormkar House, C.G. Road, Navrangpura, Ahmedabad - 380009  
Tel.: +91.22.6133 4606

Website: www.roselabsfinance.com, E-mail: roselabsfinance@lodhagroup.com

**Statement of Unaudited Financial Results for the Quarter ended and Nine Months ended 31st December, 2016**

Particulars	For the Quarter ended			For the Nine Months ended		Year Ended 31-March-16 Audited
	31-December-16 Unaudited	30-September-16 Unaudited	31-December-15 Unaudited	31-December-16 Unaudited	31-December-15 Unaudited	
<b>1</b>						
<b>Income from Operations</b>						
(a) Net sales / Income from operations	23.83	168.43	81.99	240.31	684.56	736.82
(b) Profit/(Loss) on Equity / Currency Derivatives	19.50	(8.92)	12.12	29.05	125.96	80.96
<b>Total Income from Operations (Net)</b>	43.33	159.51	94.11	269.36	810.52	817.78
<b>2</b>						
<b>Expenses</b>						
(a) Purchase of Stock-in-Trade	-	-	77.38	-	296.21	296.21
(b) Changes in Inventories of finished goods, WIP and Stock in Trade	-	135.11	(29.72)	144.62	270.25	277.68
(c) Employee Benefits Expense	-	-	1.22	-	76.03	75.90
(d) Depreciation and Amortisation Expense	-	-	123.00	-	123.00	123.00
(e) Provision for Doubtful Loans and Advances	-	-	2.84	-	11.93	14.40
(f) Other Expenses	4.93	7.36	-	15.79	-	-
<b>Total Expenses</b>	4.93	142.47	174.72	160.41	777.42	787.19
<b>3</b>						
<b>Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	38.40	17.04	(80.61)	108.95	33.10	30.59
<b>4</b>						
<b>Other Income</b>	-	0.71	-	0.94	0.72	3.16
<b>5</b>						
<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	38.40	17.75	(80.61)	109.89	33.82	33.75
<b>6</b>						
<b>Finance Costs</b>	68.18	70.81	66.36	207.78	210.79	274.90
<b>7</b>						
<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	(29.78)	(53.06)	(146.97)	(97.89)	(176.97)	(241.15)
<b>8</b>						
<b>Exceptional Items</b>	-	-	-	-	-	-
<b>9</b>						
<b>Profit/(Loss) from ordinary activities before tax (7-8)</b>	(29.78)	(53.06)	(146.97)	(97.89)	(176.97)	(241.15)
<b>10</b>						
<b>Tax Expenses (Net)</b>	-	-	-	-	-	-
<b>11</b>						
<b>Net Profit/(Loss) from Ordinary Activities after tax (9-10)</b>	(29.78)	(53.06)	(146.97)	(97.89)	(176.97)	(241.15)
<b>12</b>						
<b>Extraordinary Items (Net of Tax Expenses)</b>	-	-	-	-	-	-
<b>13</b>						
<b>Net Profit/ (Loss) for the period / year (11-12)</b>	(29.78)	(53.06)	(146.97)	(97.89)	(176.97)	(241.15)



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	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
14 Paid - up Equity Share Capital (face value of ₹.10/- each)	-	-	-	-	-	-	1,000.00
15 Reserves excluding Revaluation Reserve (As per Balance sheet of the previous accounting year)	-	-	-	-	-	-	(1,138.21)
16 Earnings Per Share (before and After Extra ordinary items)(of ₹.10/- each) (Not Annualised):	(0.30)	(0.53)	(1.47)	(0.98)	(1.77)	(2.41)	(2.41)
(a) Basic	(0.30)	(0.53)	(1.47)	(0.98)	(1.77)	(2.41)	(2.41)
(b) Diluted	(0.30)	(0.53)	(1.47)	(0.98)	(1.77)	(2.41)	(2.41)

**Notes:**

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 7th February, 2017.
- During the second quarter ended 30th September, 2016, the Company had received Income Tax Demand of ₹ 119.74 Lakhs towards penalties under Section 271D of the Income Tax Act, 1961 and the Company had filed appeal there against with Commissioner of Income Tax (Appeals), Mumbai. No provision has been made for the same, as in the opinion of the management, based on expert opinion obtained and decision by the Appellate Tribunals and Courts in similar matter the same is not sustainable.
- The Company has received letter from Reserve Bank of India (RBI) dated 24th August, 2016 suggesting to apply for voluntary exit from NBFC business due to Net Owned Fund (NOF) being negative. However, the Company has replied to RBI vide letter dated 20th September, 2016 along with Business Plan for increasing the Net owned Funds and has sought time upto 31st March, 2017.
- The Company has an outstanding Trade Receivables of ₹ 1,200.00 Lakhs which has become overdue. The Company is of the view that it will be able to recover the amount and therefore no provision is considered necessary at this stage.
- The Previous year/ periods' figures have been regrouped / recast wherever necessary to conform to current years / periods presentation.

For ROSELABS FINANCE LIMITED



Purnima Pavle  
Director  
DIN - 06705133

Place : Mumbai

Date : 7th February, 2017

**ROSELABS FINANCE LIMITED**

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**Unaudited Financial Results for the Quarter and Nine Months Ended 31st December, 2016**  
**Segment wise Revenue, Results and Capital Employed**

Particulars	For the Quarter ended			For the Nine Months ended		Year ended 31-March-16 Audited
	31-December-16 Unaudited	30-September-16 Unaudited	31-December-15 Unaudited	31-December-16 Unaudited	31-December-15 Unaudited	
<b>1 Segment Revenue</b>						
(a) Trading in Securities and Profit / Loss on Equity / Currency Derivatives						724.49
(b) Financing Activity	25.39	152.66	77.57	231.58	752.29	93.29
(c) Advisory Services	17.94	6.85	16.54	37.78	58.23	-
(d) Unallocated	-	-	-	-	-	-
<b>Net sales/Income From Operations</b>	<b>43.33</b>	<b>159.51</b>	<b>94.11</b>	<b>269.36</b>	<b>810.52</b>	<b>817.78</b>
<b>2 Segment Results</b>						
(a) Trading in Securities	25.39	17.56	29.93	86.96	185.85	150.60
(b) Financing Activity	1.96	(9.48)	(120.63)	7.11	(116.74)	(95.29)
(c) Advisory Services	-	-	-	-	-	-
(d) Unallocated	-	-	-	-	-	-
<b>Total</b>	<b>27.35</b>	<b>8.08</b>	<b>(90.70)</b>	<b>94.07</b>	<b>69.11</b>	<b>55.31</b>
Less:-						
(a) Interest	(52.20)	(54.49)	(52.38)	(177.11)	(158.34)	(208.63)
(b) Other Unallocable Expenditure	(4.93)	(7.36)	(3.88)	(15.79)	(87.98)	(90.30)
(c) Unallocable Income	-	0.71	-	0.94	0.25	2.47
<b>Profit / (Loss) Before Tax</b>	<b>(29.78)</b>	<b>(53.06)</b>	<b>(146.96)</b>	<b>(97.89)</b>	<b>(176.97)</b>	<b>(241.15)</b>
<b>3 Capital Employed (Segment assets - Segment Liabilities)</b>						
(a) Trading in Securities	359.08	386.62	481.04	359.08	481.04	467.14
(b) Financing Activity	191.18	164.43	8.06	191.18	8.06	56.40
(c) Advisory Services	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00
(d) Unallocated	(1,986.36)	(1,957.37)	(1,641.51)	(1,986.36)	(1,641.51)	(1,861.75)
<b>Total</b>	<b>(236.10)</b>	<b>(206.32)</b>	<b>47.59</b>	<b>(236.10)</b>	<b>47.59</b>	<b>(138.21)</b>

For ROSELABS FINANCE LIMITED



Purnima Pavle  
Director  
DIN - 06705133

Place : Mumbai  
Date : 7th February, 2017