

# **ROSELABS FINANCE LIMITED**

**23<sup>rd</sup> Annual Report  
2016 – 2017**

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Santosh Kumar Ojha	Chairman (Independent Director)
Mr. Prakash Ganapathi Bhat	Independent Director
Ms. Sanjyot Rangnekar	Non-Executive Director
Mr. Nilesh Rawat	Managing Director

**KEY MANAGERIAL PERSONNEL**

Ms. Purnima Pavle	Chief Financial Officer
Mr. Mahesh Bhatt	Company Secretary

**BANKERS**

HDFC Bank Limited  
Kotak Mahindra Bank Limited  
Bank of Baroda

**REGISTERED OFFICE**

416, Anand Mangal Complex, Behind Omkar House,  
C. G. Road, Navrangpura, Ahmedabad- 380 009  
Website: [www.roselabsfinancelimited.in](http://www.roselabsfinancelimited.in)  
E-mail: [roselabsfinance@lodhagroup.com](mailto:roselabsfinance@lodhagroup.com)

**REGISTRAR AND SHARE**

Link Intime India Private Limited

**TRANSFER AGENT**

C- 13, Pannalal Silk Mills Compound  
L.B.S. Marg, Bhandup, Mumbai- 400 078  
Tel No: 022- 25963838  
Email Id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**TABLE OF CONTENTS**

<b>Contents</b>	<b>Page No.</b>
Notice to Members	3-9
Board's Report	10-31
Independent Auditors' Report	32-35
Balance Sheet	36
Statement of Profit & Loss	37
Cash Flow Statement	38
Notes to Financial Statements	39-52

## NOTICE

**Notice** is hereby given that the **23<sup>rd</sup> ANNUAL GENERAL MEETING** of the Members of Roselabs Finance Limited will be held on Thursday, 31<sup>st</sup> August, 2017 at 02.30 p.m. at 401, Anand Mangal Complex, Behind Omkar House, C. G. Road, Navrangpura, Ahmedabad – 380 009 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon.
2. **To ratify appointment of Statutory Auditors of the Company**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution**

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s), amendment(s) thereto or re-enactment thereof, for the time being in force) and pursuant to the resolution passed by the members at the 22<sup>nd</sup> Annual General Meeting, appointing MSKA & Associates, Chartered Accountants (earlier known as MZSK & Associates) having firm registration no. 105047W as Statutory Auditors of the Company to hold office until the conclusion of the 27<sup>th</sup> Annual General Meeting, the Company hereby ratifies and confirms the appointment of MSKA & Associates, as Statutory Auditors of the Company for the financial year ending 31<sup>st</sup> March, 2018 on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

### SPECIAL BUSINESS:

3. **Appointment of Ms. Sanjyot Rangnekar as a Director**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** Ms. Sanjyot Rangnekar (DIN 07128992) who was appointed by the Board of Directors as an Additional Director with effect from April 19, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company, liable to retire by rotation.”

4. **Appointment of Mr. Nilesh Rawat as Managing Director of the Company**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company hereby approves the appointment and terms of remuneration of Mr. Nilesh Rawat (DIN 06705140), as Managing Director of the Company for a period of five years with effect from May 30, 2017 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Nilesh Rawat

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

5. **Change of registered office of the Company from the State of Gujarat to the State of Maharashtra**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 12 and Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, including any statutory modification and re-enactment thereof and subject to the approval of the relevant authority, the registered office of the Company be and is hereby shifted from 416, Anand Mangal Complex, B/H, Omkar House, C.G. Road, Navrangpura, Ahmedabad – 380 009 in the State of Gujarat to 412, Floor-4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400 001 in the State of Maharashtra.

**RESOLVED FURTHER THAT** Clause II of the Memorandum of Association of the Company be altered by substituting the word "in the state of Gujarat" to "in the State of Maharashtra i.e. within the jurisdiction of Registrar of Companies, Maharashtra at Mumbai.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary and appropriate to give effect the above resolution."

#### NOTES:

- 1) The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in Item Nos. 3 to 5 above and the relevant details of the Directors seeking re-appointment/appointment under Item Nos. 3 and 4 above as required by Regulation 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as required under Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed hereto.
- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.** Proxies, in order to be effective, must be received at the registered office of the Company, duly completed, stamped and signed, not less than 48 hours before the commencement of the meeting. A proxy form is annexed to this Annual Report. Proxies submitted on behalf of limited companies, societies, partnership firms, etc., must be supported by an appropriate resolution / authority, as applicable.
- 3) A person can act as proxy on behalf of member upto and not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Members holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 4) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
- 5) Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the normal business hours of the Company during the period beginning twenty-four (24) hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than three (3) days in writing of the intention to inspect the proxies lodged shall be required to be provided to the Company.
- 6) Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
- 7) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 8) Members who hold shares in dematerialised form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
- 9) Members holding shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's Registrar and Share Transfer agent, Link Intime India Private Limited, C- 13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup, Mumbai- 400 078, Tel No: 022-25963838 Email Id: [evoting@linkintime.co.in](mailto:evoting@linkintime.co.in) enclosing their original share certificate to enable them to consolidate the holdings into one folio.
- 10) The Register of Members and Share Transfer Books of the Company would remain closed from Friday, 25<sup>th</sup> August, 2017 to Tuesday, 31<sup>st</sup> August, 2017 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.
- 11) The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
- 12) The relevant details of Directors seeking re-appointment are annexed to the notice.
- 13) Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office / Corporate Office of the Company on all working days, excluding Saturday, Sunday and Public Holidays between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

- 14) In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, as amended, a company may give notice through electronic mode addressing to the person entitled to receive such e-mail as per the records of the company or as provided by the depository, provided that the company shall provide an advance opportunity atleast once in a financial year, to the member to register his e-mail address and changes therein and such request may be made by only those members who have not got their email id recorded or to update a fresh email id and not from the members whose e-mail ids are already registered. In view of the above, the Company hereby request members who have not updated their email IDs to update the same with their respective Depository Participant(s) or the Link Intime India Private Limited, Registrar and Transfer Agent (R&T) of the Company. Further, Members holding shares in electronic mode also requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the R &T of the Company quoting their folio number(s).
- 15) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS) and Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Private Limited (RTA) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company.
- 16) The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company.
- 17) Members holding shares of the Company as on Thursday 24<sup>th</sup> August, 2017, shall be entitled to vote at the Annual General Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

### E-voting

- (i) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members a facility to exercise their right to vote on business proposed to be transacted at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM, ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). The details of the process and manner of e-voting along with the user ID and Password are being sent to all the Members along with the Notice.
- (ii) The facility for voting through ballot paper shall be made available at the AGM premises and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- (iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (iv) The remote e-voting period commences on Monday, 28<sup>th</sup> August, 2017 (9:00 am) and ends on Wednesday, 30<sup>th</sup> August, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 24<sup>th</sup> August, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (v) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (vi) The Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Thursday, 24<sup>th</sup> August, 2017.
- (vii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Thursday, 24<sup>th</sup> August, 2017, may obtain the login ID and password by sending a request at

evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting than you can use your existing user ID and password for casting your vote.

- (viii) A member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a member casts vote by both modes, then voting done through remote e-voting shall prevail and the Ballot form shall be treated as invalid.
- (ix) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cutoff date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (x) The Company has appointed Mr. Sharatkumar Shetty, Practising Company Secretary, as scrutinizer for conducting the remote e-voting process and also for conducting voting process by means of Ballot Paper at the AGM in a fair and transparent manner.
- (xi) The Chairman shall, at the Annual General Meeting, at the end of discussion on the business matters on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (xii) The scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting through ballot paper and the scrutinizer will thereafter unblock the votes cast through remote e-voting, in the presence of atleast two witnesses not in the employment of the Company and not later than three days of the conclusion of the AGM, scrutinizer will submit its report on the total votes cast in favour or against, if any, to the Chairman/Managing Director or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- (xiii) The Results declared along with the report of the Scrutinizers shall be placed on the website of the Company [www.roselabsfinancelimited.in](http://www.roselabsfinancelimited.in) and on the website of the NSDL immediately after the declaration of result by the Chairman/Managing Director or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchange (BSE Limited).
- (xiv) This notice has been updated with the instructions for voting through electronic means as per the Amended Companies (Management and Administration) Rules, 2015.

#### Instruction for e-voting

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
  - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" Roselabs Finance Limited.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail ([snehalshahpcs@gmail.com](mailto:snehalshahpcs@gmail.com)) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

**EVEN (Remote e-voting Event Number)**

**USER ID**

**PASSWORD/PIN**

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- II. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

**By Order of the Board of Directors**

Mahesh Bhatt  
Company Secretary

**Registered Office**

416, Anand Mangal Complex,  
B/H, Omkar House, C.G. Road,  
Navrangpura, Ahmedabad – 380009  
Tel No: +91.22. 61334517  
Website: [www.roselabsfinancelimited.in](http://www.roselabsfinancelimited.in)  
CIN No: L67120GJ1995PLC024070  
Email: [roselabsfinance@lodhagroup.com](mailto:roselabsfinance@lodhagroup.com)  
Place: Mumbai  
Date: June 30, 2017



**EXPLANATORY STATEMENT**

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 5 of the accompanying Notice:

**Item No. 3:** The Board of Directors appointed Ms Sanjyot Rangnekar, as an Additional Director (non executive), liable to retire by rotation, effective April 19, 2017 on the recommendation of the Nomination and Remuneration Committee. As per the provisions of Section 161(1) of the Act, she holds office of Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received a notice under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, along with the requisite deposit.

Ms. Sanjyot Rangnekar is a Fellow Member of the Institute of Company Secretaries of India and a Cost Accountant from the Institute of Costs and Works Accountants of India. She has 19 years' of experience as Company Secretary with Essar Power Limited, Swastik Surfactants Limited amongst others.

The Board commends the Resolution at Item No.3 of the accompanying Notice for the approval by the Members of the Company.

Other than Ms. Sanjyot Rangnekar and her relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, in the Resolution set out at item no. 3 of the Notice.

Additional information in respect of appointment of Ms. Sanjyot Rangnekar as Director pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is provided in Annexure 1 to the Explanatory Statement.

**Item No. 4:** Mr. Nilesh Rawat who was appointed as Managing Director of the Company on October 11, 2013, completed his tenure of 3 years on October 10, 2016 and accordingly, he ceased to be the Managing Director of the Company. However he continues to be a Director of the Company. The Board, at its meeting held on May 30, 2017, re-appointed Mr. Rawat as Managing Director for a period of five years effective the same. This appointment was made based on recommendation by the Nomination and Remuneration Committee (NRC).

Mr. Rawat is a member of the Institute of Chartered Accountants of India and has experience of over 10 years in the field of accounts and finance. He has been associated with the Group for last 10 years.

Additional information in respect of appointment of Mr. Nilesh Rawat as Managing Director pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is provided in Annexure 1 to the Explanatory Statement.

The Company has received the necessary consent and disclosures from Mr. Nilesh Rawat in terms of provisions of the Companies Act, 2013.

The Board recommends the item no. 4 of the Notice for approval by the Members.

None of the Directors, other Key Managerial Personnel and their relatives thereof except Mr. Nilesh Rawat, are in any way, concerned or interested, financially or otherwise in the above resolution.

**ITEM NO.5:** The Registered Office of the Company is situated in the State of Gujarat. The Company's business activities are mainly based in the State of Maharashtra. The corporate office of the Company as well as of the Group is also located in Mumbai. As such there are no activities in the state of Gujarat where the registered office is situated. It is difficult for the Company to administer registered office related matters from Mumbai. In view of the above, the Board of Directors in its meeting held on June 30, 2017, approved shifting of the Registered Office of the Company from the State of Gujarat to the State of Maharashtra. Accordingly, the Board commends the resolution at Item No. 5 of the accompanying Notice for acceptance by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

By Order of the Board of Directors

**Mahesh Bhatt**

Company Secretary

**Registered Office**

416, Anand Mangal Complex, B/H, Omkar House,

C.G. Road, Navrangpura, Ahmedabad – 380009

Tel No: +91.22. 61334517

Website: [www.roselabsfinancelimited.in](http://www.roselabsfinancelimited.in)

CIN No: L67120GJ1995PLC024070

Email: [roselabsfinance@lodhagroup.com](mailto:roselabsfinance@lodhagroup.com)

Place: Mumbai

Date: June 30, 2017



## ANNEXURE 1

## DISCLOSURE RELATING TO DIRECTORS / MANAGER PURSUANT TO LISTING REGULATIONS AND SECRETARIAL STANDARDS

<b>Name of the Director / Manager</b>	Mr. Nilesh Rawat	Ms. Sanjyot Rangnekar
<b>Date of Birth</b>	November 15, 1983	July 06, 1970
<b>Qualification</b>	Member of the Institute of the Chartered Accountants of India	Member of the Institute of the Company Secretaries of India and the Institute of the Cost and Works Accountant of India
<b>Experience</b>	Nilesh Rawat has been associated with Lodha Group since past more than ten years. He has total 10 years of diverse experience in the field of accounts and finance	Ms. Sanjyot Rangnekar is a Fellow Member of the Institute of Company Secretaries of India and a Cost Accountant from the Institute of Costs and Works Accountants of India. She has more than 19 years' of experience as Company Secretary with Essar Power Limited, Swastik Surfactants Limited amongst others.
<b>Terms &amp; Conditions of appointment</b>	Mr. Rawat has been appointed for a period of five years effective May 30, 2017.	As per the above proposed resolution.
<b>Remuneration last drawn &amp; Sought to be paid</b>	N.A.	N.A.
<b>Date of appointment on the Board</b>	May 30, 2017	April 19, 2017
<b>Directorships held in other companies as on 31 March, 2017</b>	<ol style="list-style-type: none"> <li>1. Ganeshji Reality And Agro Private Limited</li> <li>2. Bellissimo Properties Development Private Limited</li> <li>3. Microtec Constructions Private Limited</li> <li>4. Lodha Aviation Private Limited</li> <li>5. Dalhousie Leasing And Financial Services Pvt Ltd</li> <li>6. Bellissimo Realtors Private Limited</li> <li>7. Lodha Leading Builders Private Limited</li> <li>8. Lodha Foundation</li> </ol>	Nil
<b>Memberships of committees across companies (includes only Audit &amp; Stakeholders Relationship Committee) as on 31 March, 2017</b>	N.A.	N.A.
<b>Shareholding in the Company (Equity)</b>	Nil	Nil
<b>Relationship with other Directors/ Manager/Key Managerial Personnel</b>	Nil	Nil
<b>Number of Board meetings attended during the year 2016-17</b>	5	N.A.

## BOARD'S REPORT

**Dear Members,**

The Directors are pleased to present the 23<sup>th</sup> Annual Accounts of the Company, along with the audited financial statements for the financial year ended March 31, 2017.

### 1. Financial Results

(₹ in lakhs)

Particulars	For the financial year ended March 31, 2017	For the financial year ended March 31, 2016
Revenue from operations	238.21	820.94
Total Expenses	381.20	1,062.09
Profit/(Loss) Before Tax	(142.99)	(241.15)
Less: Prior period taxation adjustments	-	1.06
Net Profit/(Loss) for the year	(142.99)	(240.09)

### 2. Financial Performance and the state of the Company's affairs

#### Highlights of the Company's performance for the FY 2016-17

During the year, your Company posted a total revenue of ₹ 238.21 lakhs as against ₹ 820.94 lakh during the previous financial year. During the year, loss has reduced to ₹ 142.99 lakh as against of ₹ 240.09 lakh during the previous financial year, due to optimization in operational cost.

#### Voluntary exit from NBFC business

Pursuant to a review of the business strategy, the Board, at its meeting held on June 30, 2017, decided to discontinue non-banking financial business and apply for voluntary deregistration of the Company's Certificate of Registration as a Non-Banking Financial Institution granted by RBI under section 45-IA of the RBI Act, 1934. The Company, vide its letter dated July 03, 2017, has applied for the same. The Board will continue to evaluate alternate business lines for the Company in different sector.

### 3. Dividend

The Directors do not recommend payment of dividend on equity shares for the financial year ended March 31, 2017.

### 4. Extract of annual return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is annexed as **Annexure-I**.

### 5. Directors and key managerial personnel

Ms. Sanjyot Rangnekar was appointed as Additional Director of your Company effective April 19, 2017.

Ms. Rangnekar holds office only upto the date of the forthcoming AGM and a notice under section 160(1) of the Act has been received from a member signifying its intention to propose her appointment as Director.

Mr. Nilesh Rawat, who was appointed as Managing Director of the Company on October 11, 2013, completed his tenure of 3 years on October 11, 2016 and accordingly, he ceased to be the Managing Director of the Company. However, he continues to be a Director of the Company. The Board, at its meeting held on May 30, 2017, re-appointed Mr. Rawat as Managing Director effective from the same. His re-appointment require approval of the Members at the ensuing AGM.

Ms. Purnima Pavle resigned as Director of your Company effective May 30, 2017. The Board places on record its appreciation for the services rendered by her during her tenure as Director. She was appointed as Chief Financial Officer by the Board effective May 30 2017.

In terms of Section 149 of the Act, Mr. Santosh Kumar Ojha and Mr. Prakash Ganapathi Bhat are the Independent Directors of your Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act. In accordance with the provisions of Section 149(4), these Directors are being appointed as Independent Directors mentioned in the notice of the forthcoming Annual General Meeting of the Company.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company:

- Mr. Nilesh Rawat, Managing Director
- Ms. Purnima Pavle, Chief Financial Officer
- Mr. Mahesh Bhatt, Company Secretary

## 6. Board and Committees of the Board

### Board meetings

The Board of your Company has a good mix of Executive and Non-Executive Directors with half of the Board of the Company comprising of Independent Directors. Mr. Santosh Ojha, Chairman of the Board is an Independent Director. As on date of this Report, the Board comprises four directors including one Executive Director, one Non-Executive director and two independent directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. None of the Directors of your Company are inter-se related to each other.

Dates for Board meetings in the ensuing year are decided in advance and circulated to all Directors. The agenda for each meeting, along with detailed notes, is circulated in advance to the Directors.

Five Board meetings were held during the year and the gap between two meetings did not exceed 120 days. These were held on May 30, 2016, August 10, 2016, September 02, 2016, November 11, 2016 and February 07, 2017.

Attendance of Directors during FY 2017:

Sr. No.	Name of Director(s)	Category of Directorship	Number of Meetings which the director was entitled to attend	Number of Meetings attended
1.	Mr. Santosh Ojha	Independent, Non-Executive	5	5
2.	Mr. Prakash Bhat	Independent, Non-Executive	5	5
3.	Ms. Purnima Pavle <sup>1</sup>	Non-Independent, Non-Executive	5	5
4.	Mr. Nilesh Rawat <sup>2</sup>	Non-Independent, Non-Executive	5	5
5.	Ms. Sanjyot Rangnekar <sup>3</sup>	Non-Independent, Non-Executive	N.A.	N.A.

<sup>1</sup>Ms. Pavle resigned from the Board on May 30, 2017 and was appointed as Chief Financial Officer effective on the same day.

<sup>2</sup>Mr. Rawat was re-appointed as the Managing Director of the Company effective May 30, 2017.

<sup>3</sup>Ms. Rangnekar appointed as the Additional Director of the Company effective April 19, 2017.

### Committees of the Board

#### Audit Committee

Currently, this Committee comprises the following:

- Mr. Santosh Ojha, Chairman
- Mr. Prakash Bhatt
- Ms. Sanjyot Rangnekar

All members are financially literate and bring in expertise in the fields of finance, economics, development, strategy and management.

The Committee met 5 times during the year and the gap between two meetings did not exceed 120 days. These meetings were held on May 30, 2016, August 10, 2016, September 02, 2016, November 11, 2016 and February 07, 2017.

The attendance details of the Committee meetings are as follows:

Sr. No.	Name of Members	Category	Total no. of meetings attended
1.	Mr. Santosh Ojha	Independent, Non-Executive	5
2.	Mr. Prakash Bhat	Independent, Non-Executive	5
3.	Ms. Purnima Pavle <sup>1</sup>	Non-Independent, Non-Executive	5
4.	Ms. Sanjyot Rangnekar <sup>1</sup>	Non-Independent, Non-Executive	N.A.

<sup>1</sup>Since Ms. Pavle resigned from the Board effective May 30, 2017, she ceased to be member of the Committee effective the same. Ms. Rangnekar was inducted in her place effective May 30, 2017.

### Nomination & Remuneration Committee

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board has constituted a Nomination and Remuneration Committee.

Currently, this Committee comprises the following:

- Ms. Sanjyot Rangnekar, Chairman
- Mr. Prakash Bhat
- Ms. Santoshkumar Ojha

The Committee met once during the year on February 07, 2017. The attendance details of the Committee meetings are as follows:

Sr. No.	Name of Members	Category	Total no. of meetings attended
1.	Ms. Sanjyot Rangnekar <sup>1</sup>	Non-Independent, Non-Executive	N.A.
2.	Mr. Santoshkumar Ojha	Independent Non-Executive	1
3.	Mr. Prakash Bhat	Independent, Non-Executive	1
4.	Ms. Purnima Pavle <sup>1</sup>	Non-Independent, Non-Executive	1

<sup>1</sup>Since Ms. Pavle resigned from the Board effective May 30, 2017, she ceased to be member of the Committee effective the same. Ms. Rangnekar was inducted into the Committee in her place effective May 30, 2017.

### Stakeholders Relationship Committee

Currently, this Committee comprises the following:

- Ms. Sanjyot Rangnekar, Chairman
- Mr. Santoshkumar Ojha
- Mr. Prakash Bhat

During the year, the Committee met 4 times. These were held on May 30, 2016, August 10, 2016, November 11, 2016 and February 07, 2017. The attendance details of Directors are as follows:

Sr. No.	Name of Members	Category	Total no. of meetings attended
1.	Ms. Sanjyot Rangnekar <sup>1</sup>	Non-Independent, Non-Executive	N.A.
2.	Mr. Prakash Bhat	Independent Non-Executive	4
3.	Mr. Santoshkumar Ojha	Independent, Non-Executive	4
4.	Ms. Purnima Pavle <sup>1</sup>	Non-Independent, Non-Executive	4

<sup>1</sup>Since Ms. Pavle resigned from the Board effective May 30, 2017, she ceased to be member of the Committee effective the same. Ms. Rangnekar was inducted into the Committee in her place effective May 30, 2017.

## 7. Board evaluation

The Board of Directors carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and the Listing regulations. Performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of 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.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

The policy on directors' appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Personnel including policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors is attached as **Annexure II**.

## 8. Auditors & Audit Report

### Auditors

MSKA Associates (F.K.A. MZSK & Associates), Chartered Accountants (Firm Registration No. 105047W), the statutory auditors of your Company, hold office until the conclusion of the 27<sup>th</sup> AGM to be held in the year 2021, subject to ratification at every AGM. The Members, year on year, will be requested, to ratify their appointment as Auditor and to authorize the Board of Directors to fix their remuneration. In this connection, the proposal for ratification of Auditors is mentioned in the notice of the forthcoming Annual General Meeting of the Company.

### Auditors' Report

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. The Auditor's Reports on the financial statements contain qualification, as under:

Trade receivables of Rs 1,200 lakh 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 year would have been higher by the said amount.

### Board's comments:

Since aforesaid trade receivables were expected to be received shortly, the same were not provided for in the books of account.

### Secretarial Audit

M/s. Shravan A. Gupta and Associates, Practicing Company Secretary was appointed as Secretarial Auditor to conduct a Secretarial Audit of records and documents of the Company for the financial year 2016-17. The Secretarial Audit Report confirms that the Company has generally complied with the provisions of the Act, Rules, Regulation and Guidelines.

The Secretarial Audit Report is provided in **Annexure-III**.

## 9. Particulars of Loans, Guarantees, Security and Investment

During the year, the Company was non-banking financial company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 and therefore the provisions of Section 186 are not applicable to any loan made, guarantee given or security provided by the Company in terms of exemption provided u/s 186(11) (b). During the year, the Company has not provided any guarantees and/or securities in connection with loans to other bodies corporate or person covered under Section 186 of the Companies Act, 2013.

## 10. Related Party Transactions

The transactions/contracts/arrangements, falling within the purview of provisions of Section 188(1) of the Companies Act, 2013, entered by the Company with related parties as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, were in the ordinary course of business and have been transacted at arm's length basis.

Further there are no transactions/contracts/arrangements entered by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year 2015-16, that are required to be reported in Form AOC-2 and as such does not form part of the Report

## 11. Risk Management and Internal Controls

### Risk Management

Your Company has adopted a Risk Management policy which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The key risks and mitigating actions are also placed before the Board of Directors of the Company.

### Internal Controls and their adequacy

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by Statutory as well as Internal Auditor and cover all offices, sites and key business areas. Significant audit observations and follow up actions thereon are reported to the Board/ Audit Committee. The Board / Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. These systems provide a reasonable assurance in respect of financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies.

### Vigil Mechanism

The Company has established a vigil mechanism process by adopting a Vigil Mechanism / Whistle Blower Policy for directors and employees. This policy outlines the procedures for reporting, handling, investigating and deciding on the course of action to be taken in case inappropriate conduct / behaviour is/are noticed, reported or suspected. The Policy provides for adequate safeguards against victimization of persons who use the mechanism and has a process for providing direct access to the Ombudsman in appropriate or exceptional cases.

The employees of the Company have the right to report their concern or grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil Mechanism / Whistle Blower Policy is posted on the Company's website [www.sanathnagar.in](http://www.sanathnagar.in).

## 12. Holding Company, Subsidiaries, Joint Venture and Associates

Arihant Premises Private Limited is the holding company of the Company. During the year, there was no subsidiary, joint ventures or associate companies of your Company.

## 13. Disclosure under section 197(12) of the companies Act, 2013 and other disclosures as per rule 5 of companies (appointment & remuneration) rules, 2014

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) 2014 is attached as **Annexure – IV**.

The provisions of Section 197(12) of the Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 do not apply as there are no employees who draw remuneration in excess of the limits set out in the said Rules.

## 14. Human capital

Our Group's objective is to attract the best talent, build employee capability and nurture the right culture to deliver on the business goals. We believe that an inspired, involved and invigorated workforce makes all the difference to being what we are today. The our Group's vision, values and Associate Value Proposition are the foundational blocks that drive our associates

to make their work meaningful. This year the focus largely remained on strategic hiring laterally and from Premier campuses, capability building through developmental programs and sharpening our people focus by putting in place a comprehensive Talent Management program. The objective is to provide our talent with an environment that fosters continuous learning, recognition, innovation, leadership development and employee well-being. The human resources function is the prime custodian of the culture at your Company.

#### **15. Details of conservation of energy, technology absorption, foreign exchange earnings and outgo**

There are no particulars, as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc.

#### **16. Corporate Governance and Management Discussion and Analysis Report**

As the paid up equity share capital and net worth of the Company are both below the limits specified in Regulation 15 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is not required to furnish a corporate governance and a Management Discussion Analysis and therefore these do not form part of this Report.

#### **17. General**

Your Directors state that for the financial year ended March 31, 2017 no disclosure is required in respect of the following items and accordingly confirm as under:

- a. The Company has neither revised the financial statements nor the report of Board of Directors.
- b. No cases were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- c. There are no material changes or commitments affecting the financial position of the Company between March 31, 2017 and the date of this report.
- d. The Company has not accepted any deposits during financial year 2016-17.
- e. No instance of fraud has been reported to Board of Directors of the Company by the Auditors or any other person.
- f. There are no significant or material for which orders were passed by the Regulators/Courts/Tribunals which impact the going concern status and Company's operations in future.
- g. During the financial year 2016-17, there is no change in the nature of the business of the Company.
- h. There has been no issue of equity shares with differential rights as to dividend, voting or otherwise during the financial year 2016-17.
- i. The Company has not issued any shares (including sweat equity shares) to employees of the Company under any scheme during the financial year 2016-17.

#### **18. Directors' Responsibility Statement**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a. in the preparation of the annual accounts for the year ended March 31, 2017, read with the requirements set out under Schedule III to the Act, have been followed and there has been no material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the company and that such internal financial control are adequate and were operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



**19. Acknowledgement**

On behalf of the Directors of the Company, we would like to place on record our deep appreciation to our shareholders, customers, business partners, vendors, bankers, financial institutions and academic institutions and other stakeholders who have contributed to the growth and performance of your Company.

By Order of the Board  
For Roselabs Finance Limited

**Nilesh Rawat**  
Managing Director  
DIN: 06705140

**Sanjyot Rangnekar**  
Director  
DIN: 06705133

Place: Mumbai

Date: 30<sup>th</sup> June, 2017

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2016

of

**ROSELABS FINANCE LIMITED**

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	:	L67120GJ1995PLC024070
<b>Registration Date</b>	:	4-Jan-1995
<b>Name of the Company</b>	:	Roselabs Finance Limited
<b>Category</b>	:	Company Limited by Share
<b>Sub-Category of the Company</b>	:	Indian Non-Government Company
<b>Address of the Registered Office and contact details</b>	:	416, Anand Mangal Complex, B/H, Omkar House, C.G. Road, Navrangpura, Ahmedabad – 380009 Tel No: +91 22 61334517
<b>Whether listed company</b>	:	Yes
<b>Name, Address and contact details of Registrar &amp; Transfer Agents (RTA), if any</b>	:	Link Intime India Pvt. Ltd, C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai - 400078. Tel : 022-25963838 Fax : 022 -2594 6969

**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:-

Sr. No.	Name and Description of main products / Services	NIC Code of the Product/ service	% to total turnover of the company
1.	Non Banking Financial Services – lending activities	6492	18.38
2.	Non Banking Financial Services – Equity/ currency derivatives trading	6499	81.62

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATES COMPANIES-**

Sl. No.	Name and Address of The Company	CIN	Holding Subsidiary/ Associate	% of shares held	Applicable Section
1.	Arihant Premises Pvt Ltd Address- 412, Floor- 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001	U45200MH1988PTC048628	Holding Company	74.25	2(46)

Note: The Company did not have any Subsidiary and Associate Companies during the year under review.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(b) Central Govt	0	0	0	0	0	0	0	0	0
(c) State Govt(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	74,24,670	0	74,24,670	74.25	74,24,670	0	74,24,670	74.25	0
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>74,24,670</b>	<b>0</b>	<b>74,24,670</b>	<b>74.25</b>	<b>74,24,670</b>	<b>0</b>	<b>74,24,670</b>	<b>74.25</b>	<b>0</b>
<b>(2) Foreign</b>									
(a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
(b) Other-Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>74,24,670</b>	<b>0</b>	<b>74,24,670</b>	<b>74.25</b>	<b>74,24,670</b>	<b>0</b>	<b>74,24,670</b>	<b>74.25</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks / FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
(a) Bodies Corp.	10,35,199	48,500	10,83,699	10.84	10,19,241	48,500	10,67,741	10.68	0.16
(i) Indian	0	0	0	0	0	0	0	0	0
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	4,23,441	2,56,530	6,79,971	6.80	4,37,105	2,51,130	6,88,235	6.88	0.08
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	<b>4,16,057</b>	<b>3,49,600</b>	<b>7,65,657</b>	<b>7.66</b>	<b>4,27,473</b>	<b>3,49,600</b>	<b>7,77,073</b>	<b>7.77</b>	<b>0.11</b>
(c) Others	0	0	0	0	0	0	0	0	0
(i) Clearing Member	4,905	0	4,905	0.05	2,102	0	2,102	0.02	(0.23)
(ii) Non Resident Indians (Repat)	1,100	0	1,100	0.01	1,100	0	1,100	0.01	0.00
(iii) Hindu Undivided Family	39,998	0	39,998	0.40	39,169	0	39,169	0.39	(0.01)
<b>Sub-total (B)(2)</b>	<b>19,20,700</b>	<b>6,54,630</b>	<b>25,75,330</b>	<b>25.75</b>	<b>19,26,100</b>	<b>6,49,230</b>	<b>25,75,330</b>	<b>25.75</b>	<b>0</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>19,20,700</b>	<b>6,54,630</b>	<b>25,75,330</b>	<b>25.75</b>	<b>19,26,100</b>	<b>6,49,230</b>	<b>25,75,330</b>	<b>25.75</b>	<b>0</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>93,45,370</b>	<b>6,54,630</b>	<b>1,00,00,000</b>	<b>100</b>	<b>93,50,770</b>	<b>6,49,230</b>	<b>1,00,00,000</b>	<b>100</b>	<b>0</b>

## (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Arihant Premises Private Limited	74,24,670	74.25	0	74,24,670	74.25	0	0

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

Sl. No.		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
	At the beginning of the year	74,24,670	74.25	74,24,670	74.25

Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
At the end of the year	74,24,670	74.25	74,24,670	74.25

**Note:** There is no change in promoter's shareholding during the year under review.

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

SI No.	Name & Type of Transaction	Shareholding		Transactions during the year			Cumulative Shareholding at the end of the year - 2016	
		No. of Shares at the beginning of the year-2015	% of total share of the Company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the Company.
1	Survashaya Farms and Developers Pvt Ltd	4,42,223	4.42	-	-	-	4,42,223	4.42
		-	-	10.02.2017	-50,000	Sale of shares	392223	3.92
		-	-	31.03.2017	47,429	Purchase of shares	4,39,652	4.40
		-	-	31.03.2017	-	At the end of the year	4,39,652	4.40
2	Arhanathji Builders and Farms Pvt Ltd	4,35,328	4.3533	-	-	-	-	-
		-	-	03.06.2016	1	Purchase of shares	4,35,329	4.3533
		-	-	31.03.2017	-	At the end of the year	4,35,329	4.3533
3	Harsha Hitesh Javeri	1,77,733	1.7773	-	-	-	1,77,733	1.7773
		-	-	08.04.2016	1,267	-	1,79,000	1.7900
		-	-	29.07.2016	10,566	-	1,89,566	1.8957
		-	-	26.08.2016	6,050	-	1,95,616	1.9562
		-	-	31.03.2017	-	At the end of the year	1,95,616	1.9562
4	Nina Rani	1,25,800	1.2580	-	-	-	1,25,800	1.2580
		-	-	31.03.2017	-	At the end of the year	1,25,800	1.2580
5	Hitesh Ramji Javeri	99,000	0.9900	-	-	-	99,000	0.9900
		-	-	15.04.2016	1,700	-	1,00,700	1.0070
		-	-	31.03.2017	-	At the end of the year	1,00,700	1.0070
6	Bharat Pravin Meghani	83,700	0.8370	-	-	-	83,700	0.8370
		-	-	31.03.2017	-	At the end of the year	83,700	0.8370
7	Aashi Realties Private Limited	60,240	0.6024	-	-	-	60,240	0.6024
		-	-	31.03.2017	-	At the end of the year	60,240	0.6024
8	Sanghvi Fincap Limited	48,500	0.4850	-	-	-	48,500	0.4850
		-	-	31.03.2017	-	At the end of the year	48,500	0.4850
9	Sunita Hurkat	48,300	0.4830	-	-	-	48,300	0.4830
		-	-	31.03.2017	-	At the end of the year	48,300	0.4830
10	Jagdishkumar Amrutlal Akhani	37,200	0.3720	-	-	-	37,200	0.3720
		-	-	31.03.2017	-	At the end of the year	37,200	0.3720

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	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
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	0	0	0	0

## V. INDEBTEDNESS

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

(₹ in Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	2,046.54	-	2,046.54
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	325.34	-	325.34
<b>Total (i+ii+iii)</b>	-	<b>2,371.88</b>	-	<b>2,371.88</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	2,854.14	-	2,854.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	307.07	-	307.07
<b>Total (i+ii+iii)</b>	-	<b>3,161.21</b>	-	<b>3,161.21</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager: -NIL

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under					
2.	Stock Option				NIL	
3.	Sweat Equity					
4.	Commission - as % of profit - others, specify...					
5.	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

**Note: Mr. Nilesh Rawat, Managing Director of the Company was not drawing any remuneration from the Company during the year under review.**

## B. Remuneration to other directors: -NIL

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
	Total (1)					
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify				NIL	
	Total (2)					
	Total (B) = (1 + 2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					



## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

(₹ in Lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary <sup>1</sup>	CFO <sup>1</sup>	Total
1.	Gross salary	Nil	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(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				
	- others, specify...				
5.	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

<sup>1</sup>The CFO and Company Secretary were appointed at Nil remuneration.

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By Order of the Board  
For Roselabs Finance Limited

Nilesh Rawat  
Managing Director  
DIN: 06705140

Sanjyot Rangnekar  
Director  
DIN: 06705133

Place: Mumbai  
Date: 30<sup>th</sup> June, 2017

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL,  
SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES**

**Background & Objectives:**

Section 178 of the Companies Act, 2013 ('the Act') requires the Nomination and Remuneration Committee to identify persons who are qualified to become Directors and who may be appointed in Senior Management and to formulate a Policy relating to the remuneration for the Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company and recommend the same for approval of the Board. Further Section 134 of the Act stipulates that the Board Report shall include a statement on Company's Policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and remuneration for key managerial personnel and other employees.

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

**The objective of this Policy is:**

- To attract, recruit and retain good and exceptional talent.
- To guide the Board in relation to appointment and removal of Directors.
- To evaluate the performance of the Members of the Board including Independent Directors.
- Formulation of criteria for evaluation of Independent Director and the Board.
- To determine criteria for payment of remuneration to Directors, Key Managerial Personnel, Senior Management and Employees.
- To recommend to the Board on remuneration payable to the Directors including Key Managerial Personnel, Senior Management and Employees, if required.

**Definitions:**

**"Act"** means the Companies Act, 2013 and rules thereunder.

**"Board of Directors"** or **"Board"** means the Board of Directors of Roselabs Finance Limited, as constituted from time to time.

**"Company"** means Roselabs Finance Limited.

**"Committee"** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

**"Director"** means a director appointed to the Board of a company.

**"Independent Director"** means an independent director referred to in sub-section (5) of Section 149 of the Companies Act, 2013.

**"Policy"** means Nomination and Remuneration Policy.

**"Key Managerial Personnel" (KMP) means:**

- a. Chief Executive Officer or the Managing Director or the Manager
- b. Whole-time Director
- c. Chief Financial Officer
- d. Company Secretary
- e. Such other officer as may be prescribed

**"Senior Management Personnel"** for this purpose shall mean personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive director(s), including the functional / vertical heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**Appointment– Criteria Identification:**

- The Committee shall identify and ascertain the integrity, professional qualification, expertise and experience of the person, who is proposed to be appointed as a Director, KMP or at a Senior Management level and appropriate recommendation shall be made to the Board with respect to his/her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment as KMP, Senior Management Personnel of the Company. The Committee, on the recommendation of Human Resource Department (HR Department), if required, shall have the discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- Appointment of Independent Directors shall be subject to the provisions of Section 149 of the Act read with schedule IV and rules made thereunder. Before appointment as Independent Director, the Committee shall satisfy itself that the proposed person satisfies the criteria of independence as stipulated under Section 149(6) of the Act.
- Appointment of directors on the Board of a Company shall be subject to the recommendation made by the Committee. However, the decision of the Board with respect to appointment of a director shall be final.
- Appointment of Managing Director and Whole-time Director shall be subject to provisions of Sections 196, 197, 198 and 203 of the Act read with Schedule V and rules made there under. The Committee shall ensure that a person shall not occupy position as a Managing Director/Whole-time Director beyond the age of seventy years, unless his appointment is approved by a special resolution passed by the Company in general meeting. No re-appointment shall be made earlier than one year before the expiry of term.
- No person shall be eligible to be appointed as a Director, if he/she is subject to any disqualifications as stipulated under the Companies Act, 2013 or any other law(s) for the time being in force.

**Removal:**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel, subject to the provisions and compliance of the said Act, rules and regulations.

**Retirement:**

The Director, KMP or Senior Management Personnel, shall retire as per the applicable provisions of the Act and the prevailing policy of the Company, if any. The Board will have the discretion to retain the Director in the same position/ remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

**Evaluation:****A) Independent Directors/Non-Executive Directors**

The Committee shall carry out evaluation of performance of Independent Directors/Non-Executive Directors every year ending 31<sup>st</sup> March. In case, if a Director is a member of the Committee, he/she shall abstain himself/herself from participation, when he/she is being evaluated.

As a part of evaluation, the Committee shall determine the following criteria:

- Membership & attendance - Committee and Board Meetings
- Contribution during such meetings
- Willingness to spend time and effort learning about the Company and its business
- Active participation in strategic decision making
- Inputs to executive management on matters of strategic importance
- Individual Performance and Contribution
- Such other matters, as the Committee/Board may determine from time to time.

**B) Executive Directors**

The Committee shall carry out evaluation of performance of Executive Directors every year ending 31<sup>st</sup> March. In case, if a Director is a member of the Committee, he/she shall abstain himself/herself from participation, when he/she is being evaluated.

The evaluation shall be on the basis of Key Performance Indicators (KPI), which would be identified based on a) their commitment to achieve Company's goals and alignment with the strategic direction, b) their decision making ability, and c) their ability and actions to safeguard the interest of shareholders of the Company and weights assigned for each measure of performance keeping in view the distinct roles of each Executive Director. The identified KPI for Executive Directors shall be approved by the Board, pursuant to recommendation of the Committee, if required.

### C) Key Managerial Personnel /Senior Management/ Employees

The HR Department shall assign the responsibility of carrying out the evaluation of the aforementioned persons every year ending March 31<sup>st</sup>, to the concerned department heads. KPI are identified well in advance at the commencement of the financial year. Performance benchmarks shall be set and evaluation of employees would be done by the respective reporting manager(s)/ Management to determine whether the performance benchmarks are achieved. The payment of remuneration/annual increment to the aforementioned persons shall be determined after the satisfactory completion of Evaluation process.

The objective of carrying out the evaluation by the Company is to identify and reward those with exceptional performances during any financial year. Additional Training and Development Orientation programs on need basis shall be provided to employees, whose performance during any financial year do not meet the benchmark criteria.

Further, the performance of the Committees formed by the Board will be evaluated based on the terms of reference assigned to the respective Committees.

### Matters relating to remuneration, perquisites for Directors, KMP/Senior Management Personnel & Employees:

Section 178 of the Act, emphatically specify that the Committee, while formulating the Policy shall ensure the following:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

In the Company, the remuneration structure for Executive Directors/Senior Management & Employees comprises of:

- a) **A fixed base salary**, set at a level aimed at attracting and retaining executives with professional and personal competences required to drive the Company's performance.
- b) **Performance Bonus**, based on achieving the minimum KPI predefined at the commencement of the financial year.
- c) **Retirement benefits** including PF, gratuity, etc.
- d) **Such other emolument(s)** as the HR department may after consultation with the Management determine from time to time.

### Criteria for Remuneration:

#### 1) KMP/Senior Management/other employees

Upon the satisfactory completion of Evaluation process and after taking into consideration the performance appraisal of the concerned employee(s) and also taking into consideration the profitability/performance of the Company, salary increments/performance bonus would be decided by the concerned Department Head(s)/Management, as the case may be. The increments/performance bonus declared shall be solely as per Company Policy.

Determination of remuneration/performance bonus for KMP /Senior Management/other employees, so far as there are no regulatory requirements, need not be recommended/approved by the Committee/Board. The concerned Department Head(s)/ Management on the recommendation of the HR department shall have the discretion to determine the quantum of remuneration to be payable to KMP/Senior Management and other employees, as the case may be. Regulatory compliance, if any, needs to be complied appropriately before determining/approving remuneration.

#### 2) Executive Director(s) (EDs)

The remuneration/compensation, etc., to Executive Directors (EDs) of the Company during any financial year shall be determined on the basis of they achieving the Key Performance Indicators (KPIs) as is set on them at the commencement of every financial year. The remuneration/compensation shall be determined by the Committee after considering the KPI achieved by EDs. The Committee may consider the recommendation of HR department while determining the remuneration to be paid to EDs.

The remuneration payable to EDs and Whole-time Directors shall be subject to the provisions of Section 197 and 198 of the Companies Act, 2013 or which may be mutually agreed.

### 3) Non-Executive Director/Independent Director

The Non-executive / Independent Directors (NEDs) of the Company may be paid sitting fees as per the applicable Regulations. Any revision in the quantum of sitting fees shall be subject to approval of Board of Directors of the Company. Further the travelling, boarding and lodging expenses, if any, shall be reimbursed to the Directors based out of Mumbai.

The profit-linked Commission may be paid within the monetary limit approved by the shareholders of the Company and subject to compliance with the provisions of Companies Act, 2013, if any. The aforesaid Commission shall be paid, subject to NEDs, satisfying the criteria approved by the Board for receiving remuneration.

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option (ESOPs) of the Company.

Where any insurance is taken by the Company on behalf of its KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### Amendments to the Policy:

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

**By Order of the Board**  
For **Roselabs Finance Limited**

**Nilesh Rawat**  
Managing Director  
DIN: 06705140

**Sanjyot Rangnekar**  
Director  
DIN: 06705133

Place: Mumbai

Date: 30<sup>th</sup> June, 2017

Form No. MR-3

**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2017

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

To

The Members

**M/s. ROSELABS FINANCE LIMITED****CIN: L67120GJ1995PLC024070**

416, Anand Mangal Complex, B/H Omkar House, C G Road,  
Navrangpura, Ahemdabad 380009

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. ROSELABS 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, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2017, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 and the Rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iv) Foreign Exchange Management Act, 1999 and the applicable rules and regulations made there under; - **Not Applicable as there was no Foreign Direct Investment (FDI), Overseas Direct Investment (ODI), External Commercial Borrowing (ECB).**
- (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; **Not Applicable during the period under Review**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations) 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable during the period under Review**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable during the period under Review**
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable during the period under Review**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not Applicable during the period under Review**
- (vi) The other laws as are applicable specifically to the Company are complied as per representation made by the management of company during the period under review.

**I have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India-
- (ii) The Listing Agreement entered into by the Company with BSE Ltd

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

**I further report that, during the year under review:**

The status of the Company during the financial year has been that of an Equity Listed Non Banking Financial Company.

The Board of Directors of the Company is duly constituted with proper balance of 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 provisions of the Companies Act, 2013.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I 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.

**I further report that** during the calendar year 2015, the Company had filed appeal with Securities Appellate Tribunal challenging the order passed by SEBI for imposing penalty for violations of Provision of SEBI (Prohibition of Fraudulent and Unfair trade Practices related to Securities Market) Regulations, 2013 and SEBI (Substantial Acquisition of Share and Takeovers) Regulation, 1997. The same is pending for disposal as on the date of this report.

I further report that the Company, being a Non- Banking Financial Company (NBFC), has not complied with the following provisions prescribed by Reserve Bank of India (RBI) under RBI Act, 1934 and circulars and notifications issued thereof by RBI:

- Minimum net owned fund
- Leverage ratio
- Financial asset of more than 50%.

**Shravan A. Gupta & Associates**  
**Practicing Company Secretary**

**Shravan A. Gupta**  
ACS: 27484, CP: 9990

Place: Mumbai

Date: 30<sup>th</sup> June, 2017



## Annexure-IV

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) AND 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17:

Sr. No.	Name of Director/ KMP and Designation	Period	Remuneration of Director/KMP for financial year 2016-17 (Amount in ₹)	% increase in remuneration in the financial year 2016-17	Ratio of remuneration of each Director to the median remuneration of employees
1.	Mr. Santosh Kumar Ojha, Independent, Non-Executive	1 <sup>st</sup> April, 2016 till 31 <sup>st</sup> March, 2017	Nil	Nil	Nil
2.	Mr. Prakash Ganapathi Bhat, Independent, Non-Executive	1 <sup>st</sup> April, 2016 till 31 <sup>st</sup> March, 2017	Nil	Nil	Nil
3.	Ms. Sanjyot Rangnekar, Non-Independent, Non-Executive	N.A.	N.A.	N.A.	N.A.
4.	Ms. Purnima Pavle, Non-Independent, Non-Executive	1 <sup>st</sup> April, 2016 till 31 <sup>st</sup> March, 2017	Nil	Nil	Nil
5.	Mr. Nilesh Rawat, Executive*	1 <sup>st</sup> April, 2016 till 31 <sup>st</sup> March, 2017	Nil	Nil	Nil
6.	Ms. Purnima Pavle, Chief Financial Officer	N.A.	N.A.	N.A.	N.A.
7.	Mr. Mahesh Bhatt, Company Secretary	1 <sup>st</sup> April, 2016 till 31 <sup>st</sup> March, 2017	Nil	Nil	Nil

\*Mr. Nilesh Rawat, who was appointed as Managing Director of the Company on 11<sup>th</sup> October, 2013, completed his tenure of 3 years on 10<sup>th</sup> October, 2016 and accordingly, he ceased to be the Managing Director of the Company. However, he continues to be a Director of the Company. Mr. Rawat was re-appointed as Managing Director effective 30<sup>th</sup> May, 2017.

\*Mr. Nilesh Rawat and Mr. Mahesh Bhatt are not on the payroll of the Company and are deputed by Lodha Developers Private Limited, holding company.

Since there were no employees on the rolls of the Company during the year under review, the criteria for increase in remuneration ratio of remuneration of each director to the median remuneration of employees are not applicable.

No remuneration has been paid during FY 2016-17 to Non-Independent directors.

- (ii) There are no permanent employees on the payrolls of Company and hence, the disclosure relating to percentage increase in the median remuneration of employees of the Company during the financial year ended 31<sup>st</sup> March, 2017 is not applicable;
- (iii) Since the Company has not paid any remuneration to any of its managerial personnel either in previous financial year or in current financial year, the point pertaining to average percentage increase / decrease in the salaries of employees other than the managerial personnel is not applicable.

The key parameters for the variable component of remuneration availed by the directors is not applicable as none of the Directors draw any remuneration from the Company.

- (iv) It is hereby confirmed that the remuneration / reimbursement paid is as per the Remuneration Policy for Directors, Key managerial Personnel and other employees.

- (v) Since there are no permanent employees of the Company, the Company is not required to disclose the details of employees pursuant to Rule (5)(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**By Order of the Board**  
**For Roselabs Finance Limited**

**Nilesh Rawat**  
Managing Director  
DIN: 06705140

**Sanjyot Rangnekar**  
Director  
DIN: 06705133

Place: Mumbai

Date: 30<sup>th</sup> June, 2017

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Roselabs Finance Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of Roselabs Finance Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

#### Basis of Qualified Opinion

Trade receivables of ₹ 1,200 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 year would have been higher by the said amount.

This matter was also qualified in our limited review report for the quarter ended September 30, 2016 and December 31, 2016 and the limited review report of the predecessor auditors on the financial results for the quarter ended 30<sup>th</sup> June, 2016.

#### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and its loss and its cash flows for the year ended on that date.

#### Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

- a) Receipt of Income tax demand of ₹ 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.

- b) The Company has received letter from Reserve Bank of India (RBI) dated 24<sup>th</sup> 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 20<sup>th</sup> September, 2016 along with business plan for increasing the Net Owned Funds. As on March 31, 2017 the Company's NOF is negative.

Our opinion is not qualified in respect of these matter.

#### **Other Matter**

- a) The financial statements of the Company for the year ended 31<sup>st</sup> March, 2016, were audited by another auditor whose report dated May 30, 2016 expressed an unmodified opinion on those statements.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report 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) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) In our opinion, there are no matters that may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'
  - (h) 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 – Refer Note 23(1) to the 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.
    - iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 – Refer Note (23(8) of the financial statements)
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section 11 of section 143 of the Act, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**Abuali Darukhanawala**  
**Partner**  
**Membership No. 108053**

**Place : Mumbai**  
**Date : 30th May, 2017**

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ROSELABS FINANCE LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Roselabs Finance Limited ("the Company") as of March 31, 2017 in conjunction with our 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) (the "Guidance Note". 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my / our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our 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.

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 our 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 March 31, 2017, 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.

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

**Abuali Darukhanawala**  
**Partner**  
**Membership No. 108053**

**Place : Mumbai**  
**Date : 30th May, 2017**

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

**Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Roselabs Finance Limited on the financial statements for the year ended 31<sup>st</sup> March, 2017**

- i. The Company does not have any fixed assets. Accordingly, the provisions stated in paragraph 3(i) (a) to (c) of the Order are not applicable to the Company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as on 31<sup>st</sup> March, 2017 and the Company has not accepted any deposits during the year.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, value added tax, cess and any other statutory dues applicable to it.  
(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, service tax, value added tax, cess and any other statutory dues which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.
- ix. 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, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the company.
- xiii. According to the information and explanations given to us and based on our 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 given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

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

**Abuali Darukhanawala**  
**Partner**  
**Membership No. 108053**

**Place : Mumbai**  
**Date : 30th May, 2017**

## BALANCE SHEET AS AT 31ST MARCH, 2017

	Notes	As at 31/March/17 ₹ in Lakhs	As at 31/March/16 ₹ in Lakhs
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	2	1,000.00	1,000.00
Reserves and Surplus	3	(1,281.21)	(1,138.21)
		(281.21)	(138.21)
<b>Non-Current Liabilities</b>			
Long Term Provisions	4	2.98	1.25
		2.98	1.25
<b>Current Liabilities</b>			
Short-Term Borrowings	5	2,854.14	2,046.54
Trade Payables	6		
Total Outstanding dues of micro enterprises and small enterprises		-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises		26.61	55.64
Other Current Liabilities	7	312.58	354.52
		3,193.33	2,456.70
<b>TOTAL</b>		<b>2,915.11</b>	<b>2,319.74</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Fixed Assets (Net)	8	-	-
Long-Term Loans and Advances	9	1,232.93	501.58
		1,232.93	501.58
<b>Current Assets</b>			
Current Investments	10	0.13	0.13
Inventories	11	258.46	406.28
Trade Receivables	12	1,200.00	1,200.00
Cash and Bank Balances	13	100.15	67.36
Short-Term Loans and Advances	14	76.89	57.96
Other Current Assets	15	46.55	86.43
		1,682.18	1,818.16
<b>TOTAL</b>		<b>2,915.11</b>	<b>2,319.74</b>
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the financial statements	1-23		

As per our attached Report of even date

For MZSK &amp; Associates

Chartered Accountants

Firm Registration No. : 105047W

For and on behalf of the Board

Abuali Darukhanawala  
Partner  
Membership No.: 108053

Nilesh Rawat  
Managing Director  
DIN: 06705140

Sanjyot Rangnekar  
Director  
DIN: 07128992

Place : Mumbai  
Date : 30th May,2017

Mahesh Bhatt  
Company Secretary  
Membership No: A3552

Purnima Pavle  
Chief Financial Officer  
Membership No.: 105205



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Notes	For the Year Ended 31/March/17 ₹ in Lakhs	For the Year Ended 31/March/16 ₹ in Lakhs
<b>Revenue</b>			
Revenue from Operations	16	237.20	817.78
Other Income	17	1.01	3.16
		<b>238.21</b>	<b>820.94</b>
<b>Expenses</b>			
Purchase of Stock-in-Trade	18	-	296.21
(Increase) / Decrease in Stock-in-trade	19	147.82	277.68
Employee Benefits Expense	20	21.75	75.90
Finance Costs	21	193.67	274.90
Other Expenses	22	17.96	137.40
		<b>381.20</b>	<b>1,062.09</b>
<b>Profit / (Loss) Before Tax</b>		<b>(142.99)</b>	<b>(241.15)</b>
<b>Tax Expense</b>			
Current Tax		-	-
<b>Profit / (Loss) After Tax</b>		<b>(142.99)</b>	<b>(241.15)</b>
Prior year Taxation Adjustments		-	1.06
<b>Net Profit / (Loss) for the year</b>		<b>(142.99)</b>	<b>(240.09)</b>
<b>Earnings per Equity Share in ₹</b>			
(Face Value of ₹ 10 per Equity Share)			
Basic and Diluted		(1.43)	(2.40)
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the financial statements	1-23		

As per our attached Report of even date

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

For and on behalf of the Board

Abuali Darukhanawala  
Partner  
Membership No.: 108053

Nilesh Rawat  
Managing Director  
DIN: 06705140

Sanjyot Rangnekar  
Director  
DIN: 07128992

Place : Mumbai  
Date : 30th May, 2017

Mahesh Bhatt  
Company Secretary  
Membership No: A3552

Purnima Pavle  
Chief Financial Officer  
Membership No.: 105205

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	For the Year Ended 31/March/17 ₹ in Lakhs	For the Year Ended 31/March/16 ₹ in Lakhs
<b>Cash flow used in Operating Activities</b>		
<b>Profit / (Loss) before tax</b>	<b>(142.99)</b>	<b>(241.15)</b>
Adjustments for:		
Sundry Balances written off	1.06	2.80
Sundry Balances written back	(0.17)	-
Contingent Provisions against Standard Assets	1.72	(0.69)
Provision for Doubtful Advances	-	123.00
Finance Costs	193.67	208.63
<b>Operating Profit / (Loss) before working capital changes</b>	<b>53.29</b>	<b>92.59</b>
Decrease in Inventory	147.82	277.68
(Increase) / Decrease in Loans and Advances, Other Current Assets	(708.69)	399.50
Increase / (Decrease) in Trade Payables, Other Liabilities and Provisions	(55.84)	(59.74)
<b>Cash generated from / (used in) Operations</b>	<b>(563.42)</b>	<b>710.03</b>
Income tax (paid) / Refund	(2.76)	3.80
<b>Net Cash flow from / (used in) Operating Activities (A)</b>	<b>(566.18)</b>	<b>713.83</b>
<b>Cash flow from Financing Activities</b>		
Proceeds from Borrowings	896.94	1,129.64
Repayment of Borrowings	(89.34)	(1,609.08)
Finance Costs Paid	(208.63)	(197.79)
<b>Net Cash flow from / (used in) Financing activities (B)</b>	<b>598.97</b>	<b>(677.23)</b>
<b>Net Increase in Cash and Cash Equivalents (A + B)</b>	<b>32.79</b>	<b>36.60</b>
Add: Cash and Cash Equivalents at the beginning of the year	67.36	30.76
<b>Cash and Cash Equivalents at the end of the year</b>	<b>100.15</b>	<b>67.36</b>

As per our attached Report of even date

For MZSK &amp; Associates

Chartered Accountants

Firm Registration No. : 105047W

For and on behalf of the Board

Abuali Darukhanawala  
Partner  
Membership No.: 108053

Nilesh Rawat  
Managing Director  
DIN: 06705140

Sanjyot Rangnekar  
Director  
DIN: 07128992

Place : Mumbai  
Date : 30th May,2017

Mahesh Bhatt  
Company Secretary  
Membership No: A3552

Purnima Pavle  
Chief Financial Officer  
Membership No.: 105205

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017****1) Summary of Significant Accounting Policies****1 Basis of Accounting :**

The financial statements have been prepared on an accrual basis under the historical cost convention and as a going concern in accordance with the Indian Generally Accepted Accounting Principles (GAAP) in compliance with the Accounting Standards as specified Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 (as amended). The accounting policies have been consistently applied by the Company.

**2 Use of Estimates :**

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates.

**3 Fixed Assets :**

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation thereon. Cost includes all incidental expenses related to acquisition, construction, installation, other pre-operation expenses and borrowing costs in case of construction.

The carrying amount of cash generating units / assets is reviewed at the balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated at the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

**4 Depreciation :**

- a) Depreciation on Tangible Assets is provided on Written Down Value basis, at the rates determined with reference to useful lives specified in Schedule II of the Companies Act, 2013 except for carrying value of Tangible Fixed Assets as on 1st April, 2014 depreciated equally over the remaining useful life of the asset.
- b) Depreciation on Additions / Deletions of assets is provided on a pro-rata basis.

**5 Investments :**

Investments are classified into non-current and current investments.

Long term investments are carried at cost. Provision for diminution, if any, in the value of each long term investment is made to recognize a decline, other than of a temporary nature.

Current investments are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

**6 Inventories :**

Shares / Debentures:

Valuation of stock in trade of Shares is carried out at lower of its cost and quoted market price, computed script wise. Cost is ascertained on First-in-First-out basis.

**7 Equity Derivative Transactions :**

Profit / (Loss) in respect of Equity / Index Futures / Options are accounted in the Statement of Profit and Loss on the expiry of the respective contract or on the same being settled.

In case of outstanding contracts as at the Balance Sheet date, mark to market difference is recognised in the case of losses and ignored in the case of profits, in accordance with the conservative principle of accounting.

**8 Operating Cycle :**

Assets and liabilities are classified into current and non-current based on the operating cycle.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017****9 Revenue Recognition :**

- a) Revenue from Sale of Shares / Debentures are recognized upon transfer of significant risks and rewards to the buyers / Customers.
- b) Income of Contract / Support Services is recognised as per the terms of Contracts / Agreements.

**10 Borrowing Costs :**

Borrowing costs are recognized as an expense in the period in which they are incurred.

**11 Foreign Exchange Transactions :**

The transactions in foreign exchange are recorded at the exchange rates prevailing on the date of transactions. All monetary assets and liabilities in foreign currency are translated at the exchange rate prevailing at the date of the Balance Sheet. Any exchange gains or losses arising on the translation or settlement of such transaction are accounted for in the Statement of Profit and Loss.

**12 Leases :**

Where the Company is Lessee:

Lease arrangements where the risks and rewards incidental to ownership of assets substantially vest with the lessor are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is Lessor:

Assets representing operating lease arrangements are included in Fixed Assets / Inventory. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Cost, including depreciation is recognised as an expense in the Statement of Profit and Loss.

**13 Taxation :**

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

MAT asset is recognized when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred Tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a virtual / reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

**14 Provisions and Contingent Liabilities :**

Provisions are recognized in the accounts in respect of present probable obligation, the amount of which can be reliably estimated. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		As at 31/March/17 ₹ in Lakhs	As at 31/March/16 ₹ in Lakhs
<b>2) Share Capital</b>	<b>Numbers</b>		
<b>(A) Authorised</b>			
Equity Shares of ₹ 10 each	11,000,000	1,100.00	1,100.00
<b>(B) Issued, Subscribed and Paid up</b>			
Equity Shares of ₹ 10 each fully paid up	10,000,000	1,000.00	1,000.00
		<b>1,000.00</b>	<b>1,000.00</b>
<b>(C) Reconciliation of Number of Shares and Amount :</b>			
Equity Shares of ₹ 10 each			
As per last Financial Statement	10,000,000	1,000.00	1,000.00
Changes during the year	-	-	-
	<b>10,000,000</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b>(D) Right and Preferences of Equity Share holders</b>			
Each shareholder is entitled for one vote per share. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the shareholders.			
In the event of liquidation by the Company, the shareholders will be entitled in proportion to the number of equity shares held by them to receive remaining assets of the Company, after distribution of all preferential amounts.			
<b>(E) Shares held by and Shareholder holding more than 5%</b>			
	<b>Number of shares</b>	<b>% of Holding</b>	<b>% of Holding</b>
<b>Equity Shares</b>			
Arihant Premises Private Limited, the holding Company	7,424,670	74.25%	74.25%
	<b>7,424,670</b>	<b>74.25%</b>	<b>74.25%</b>
		<b>As at 31/March/17 ₹ in Lakhs</b>	<b>As at 31/March/16 ₹ in Lakhs</b>
<b>3) Reserves and Surplus</b>			
Statutory Reserve			
(As per Section 45-IC of Reserve Bank of India Act, 1934)			
As per last Financial Statement		15.10	15.10
Add:- Transferred from Statement of Profit and Loss		-	-
<b>Total-a</b>		<b>15.10</b>	<b>15.10</b>
Deficit in the Statement of Profit and Loss			
As per last Financial Statement		(1,153.31)	(913.22)
Add:-Profit/(Loss) as per the annexed Statement of Profit and Loss		(142.99)	(240.09)
<b>Total-b</b>		<b>(1,296.31)</b>	<b>(1,153.31)</b>
<b>Total (a + b)</b>		<b>(1,281.21)</b>	<b>(1,138.21)</b>
<b>4) Long Term Provisions</b>			
Contingent Provisions against Standard Assets *		2.98	1.25
		<b>2.98</b>	<b>1.25</b>

\* The Company has made a provision of 0.25% on Standard Assets as required by the Reserve Bank of India guidelines.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31/March/17 ₹ in Lakhs	As at 31/March/16 ₹ in Lakhs
<b>5) Short-Term Borrowings</b>		
<b>A Unsecured</b>		
Repayable on demand		
i) From Related Parties	2,554.14	1,746.54
Rate of Interest 10% - (Previous year 12%)		
ii) From a Body Corporate	300.00	300.00
Rate of Interest - 14% (Previous year 14%)		
	<u>2,854.14</u>	<u>2,046.54</u>
<b>6) Trade Payables</b>		
Total Outstanding dues of micro enterprises and small enterprises *	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	26.61	55.64
	<u>26.61</u>	<u>55.64</u>
* There is no interest paid during the year and no principal and interest is outstanding to Micro, Small and Medium Enterprises as on Balance Sheet Date.		
<b>7) Other Current Liabilities</b>		
Interest accrued but not due on borrowings	307.07	325.34
Other Payables		
Duties and Taxes	5.51	25.18
Other Liabilities	-	4.00
	<u>312.58</u>	<u>354.52</u>

8) Fixed Assets										(₹ in Lakhs)	
Particulars	Gross Block ( At cost )				Depreciation / Amortisation				Net Block		
	As at 01/April/16	Additions	Disposal/ Adjustments	As at 31/March/17	Upto 31/March/16	For the year	Disposal/ Adjustments	Upto 31/March/17	As at 31/March/17	As at 31/March/16	
<b>Tangible Assets:</b>											
Office Equipment	0.52	-	-	0.52	0.52	-	-	0.52	-	-	
Computer	4.96	-	-	4.96	4.96	-	-	4.96	-	-	
<b>Total</b>	<b>5.48</b>	<b>-</b>	<b>-</b>	<b>5.48</b>	<b>5.48</b>	<b>-</b>	<b>-</b>	<b>5.48</b>	<b>-</b>	<b>-</b>	
Previous Year	5.48	-	-	5.48	5.48	-	-	5.48	-	-	

	As at 31/March/17 ₹ in Lakhs	As at 31/March/16 ₹ in Lakhs
<b>9) Long-Term Loans and Advances</b>		
<b>(Unsecured, Considered good unless otherwise stated)</b>		
Loans to Body Corporates and Others	1,146.80	417.15
(Net of Provision Nil; Previous Year ₹ 123.00 lakhs)		
Income Tax Payments (Including MAT credit eligible for set off of ₹ 10.35 Lakhs; Previous Year ₹ 10.35 Lakhs and Net of Income tax provision of ₹ 10.35 Lakhs; Previous Year ₹ 10.35 Lakhs)	86.13	84.43
	<u>1,232.93</u>	<u>501.58</u>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

			As at 31/March/17 ₹ in Lakhs	As at 31/March/16 ₹ in Lakhs
<b>10) Current Investments (at lower of Cost or Fair Value)</b>				
<b>Unquoted, Fully paid</b>	<b>Units</b>	<b>Face Value ( in ₹ )</b>		
In Mutual Funds				
ICICI Prudential Flexible Income - Regular Plan - Daily Dividend	126	10	0.13	0.13
			<b>0.13</b>	<b>0.13</b>
<b>11) Inventories (at lower of cost and net realisable value)</b>				
Stock in Trade				
Shares			8.46	156.28
Debentures			250.00	250.00
			<b>258.46</b>	<b>406.28</b>
<b>12) Trade Receivables (Unsecured, Considered good)</b>				
Outstanding for a period more than six months from the date they became due for payment			1,200.00	-
Others			-	1,200.00
			<b>1,200.00</b>	<b>1,200.00</b>
<b>13) Cash and Bank Balances</b>				
Balance with scheduled bank in current account			<b>100.15</b>	<b>67.36</b>
			<b>100.15</b>	<b>67.36</b>
<b>14) Short-Term Loans and Advances (Unsecured, Considered good)</b>				
Loans and advances			2.50	-
Advances to Vendor			0.25	-
Margin Money against Equity Derivative Transactions			74.14	57.92
Prepaid Expenses			-	0.04
			<b>76.89</b>	<b>57.96</b>
<b>15) Other Current Assets</b>				
Interest Receivables			46.55	86.43
			<b>46.55</b>	<b>86.43</b>
<b>16) Revenue from Operations</b>				
Sale of Shares and Debentures			184.92	614.36
Profit/(Loss) on Equity / Currency Derivatives Trading			(14.57)	80.96
Dividend Income on Stock in Trade			-	2.72
Interest Income - on Loans and Others			43.60	93.29
Interest Income - on Debentures			23.25	26.45
			<b>237.20</b>	<b>817.78</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31/March/17 ₹ in Lakhs	As at 31/March/16 ₹ in Lakhs
<b>17) Other Income</b>		
Dividend Income - Current Investments	0.84	2.22
Sundry Balances written back (net)	0.17	-
Contingent Provisions against Standard Assets written back	-	0.69
Interest on Income Tax Refund	-	0.25
	<b>1.01</b>	<b>3.16</b>
<b>18) Purchase of Stock-in-Trade</b>		
Shares	-	296.21
	<b>-</b>	<b>296.21</b>
<b>19) (Increase) / Decrease in Stock-in-trade</b>		
Opening stock		
Shares	156.28	101.41
Debentures	250.00	582.55
Less: Closing Stock		
Shares	(8.46)	(156.28)
Debentures	(250.00)	(250.00)
	<b>147.82</b>	<b>277.68</b>
<b>20) Employee Benefits Expense</b>		
Salaries and Wages	21.75	75.90
	<b>21.75</b>	<b>75.90</b>
<b>21) Finance Costs</b>		
Interest Expense on Borrowings and Others	193.67	274.90
	<b>193.67</b>	<b>274.90</b>
<b>22) Other Expenses</b>		
Rates and Taxes	3.51	2.59
Printing and Stationery	0.33	0.53
Postage / Telephone / Internet	0.08	0.11
Legal and Professional	8.79	4.54
Audit Fees	0.97	1.00
Travelling and Conveyance	0.20	-
Advertising	0.88	1.97
Provision for Doubtful Advances	-	123.00
Contingent Provisions against Standard Assets	1.72	-
Sundry Balance Written off	1.06	2.80
Miscellaneous Expenses	0.42	0.86
	<b>17.96</b>	<b>137.40</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

## 23) Other Notes on Accounts

## 1 Contingent Liability not provided for in respect of:

(₹ in Lakhs)

Particulars	As at 31/March/17 ₹ in Lakhs	As at 31/March/16 ₹ in Lakhs
Disputed Income Tax Liability	18.38	18.38

## 2 Penalties under section 271D and 271E of the Income Tax Act, 1961 have been levied by the Income Tax Department for the various Assessment years.

Penalties levied by the department on similar facts have been deleted by the Appellate authorities. This is also supported by the decision of Hon'ble Delhi High Court in the case of CIT vs Worldwide Township Projects Ltd and by Hon'ble Supreme Court in the case of CIT vs Dinesh Jain. Further, on the basis of expert legal opinion obtained by the management the levy of penalty is not sustainable and consequently provision for the same is not considered necessary by the management.

## 3 Details of Open Interest in Equity Stock / Equity Index Futures Contracts :

Name of Equity Index Futures	No. of Units	
	Long	Short
FUTIDX-BANKNIFTY	-	3,120
	(-)	(1,200)
FUTIDX-NIFTY	-	-
	(-)	(5,550)
OPTIDX-BANKNIFTY -28APR2016 - CE -16000	-	-
	(-)	(600)

## 4 Segment Reporting :

The Company has identified three reportable segments viz. Trading in Securities, Financing Activity and Advisory Services. These segments have been identified and reported taking into account nature of product and services, the different risks and returns and internal business reporting system. The accounting policies adopted for segment reporting are in line with accounting policy of the Company with additional policies for segment reporting :

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relates to enterprise as a whole and are not allocable to a segment on reasonable basis have been considered and disclosed as unallocable.
- Segment assets and liabilities represents assets and liabilities in respective segments. Investment, tax related Assets and other Assets and Liabilities that cannot be allocated to a segment on reasonable basis have been considered and disclosed as unallocable.

(₹ in Lakhs)

Nature of Transactions	Trading in Securities	Financing Activity	Advisory Services	Total
Segment Revenue	193.60	43.60	-	237.20
	(724.49)	(93.29)	-	(817.78)
Segment Results	46.62	43.60	-	90.22
	(150.60)	95.29	-	(55.31)
Less : Unallocated Expenses net of Unallocated Income				(39.54)
				(87.83)
Operating Profit				50.68
				(32.52)
Less : Finance Costs				(193.67)
				(208.63)
Profit / (Loss) Before Taxes				(142.99)
				(241.15)
Less : Tax Expenses ( including prior period Adjustment)				-
				(1.06)
Net Profit / (Loss) for the year				(142.99)
				(240.09)
Segment Assets	335.79	1,192.90	1,200.00	2,728.69
	(467.14)	(500.63)	(1,200.00)	(2,167.77)
Unallocated Assets				186.42
				(151.98)
Total Assets				2,915.11
				(2,319.74)
Segment Liabilities	-	300.00	-	300.00
	(-)	(405.96)	(-)	(405.96)
Unallocated Liabilities				2,896.31
				(1,775.57)
Total Liabilities				3,196.31
				(2,181.53)

5 The information as required by Accounting Standard 18 relating to 'Related Party Disclosures' is given below:

**A. List of Related Parties**

(As Identified by the Management)

**i) Individuals / Enterprises Controlling the Company**

**a) Controlling Shareholder**

Mr. Mangalprabhat Lodha

**b) Ultimate Holding Company**

Sambhavnath Infrabuild and Farms Pvt. Ltd. (Holding company of LDPL)

**c) Holding Companies**

Lodha Developers Pvt. Ltd. (LDPL) (Holding company of APPL)

Arihant Premises Pvt. Ltd. (APPL) (Holding company)

**ii) Entities as at 1st April, 2016**

**a) Fellow Subsidiaries**

Adinath Builders Pvt. Ltd.

Ajitnath Hi-Tech Builders Pvt. Ltd.

Aanant Developers Pvt. Ltd.

Anantnath Constructions and Farms Pvt. Ltd.

Bellissimo Crown Buildmart Pvt. Ltd. (Formerly Known As Lodha Crown Buildmart Pvt. Ltd.)

Bellissimo Hi-Rise Builders Pvt. Ltd. (Formerly Known as Lodha Hi-Rise Builders Pvt. Ltd.)

Cowtown Infotech Services Pvt. Ltd. (Formerly Known As Cowtown Land Development Pvt. Ltd.)

Dalhousie Leasing and Financial Services Pvt. Ltd.

Hi-class Buildcon Pvt. Ltd.

Hotel Rahat Palace Pvt. Ltd.

Lodha Developers Thane Pvt. Ltd. (Formerly Known as Ishwer Realty and Technologies Pvt. Ltd.)

Jawala Real Estate Pvt. Ltd.

Kundan Realtors Pvt. Ltd.

Kidderpore Holdings Ltd. (upto 10th March 2017)

Lodha Aviation Pvt. Ltd.

Lodha Buildcon Pvt. Ltd.

Lodha Developers International (Jersey) III Ltd.

Lodha Developers International Ltd.

Lodha Developers UK Ltd.

Lodha Elevation Buildcon Pvt. Ltd.

Lodha Estate Pvt. Ltd.

Lodha Fincorp Distribution Services LLP

Lodha Impression Real Estate Pvt. Ltd.

Microtec Constructions Pvt. Ltd.

Nabhiraja Software Design Pvt. Ltd.

National Standard (India) Ltd.

Odeon Theatres and Properties Pvt. Ltd.

Odeon Theatres Pvt. Ltd.

Palava City Management Pvt. Ltd.

Palava Dwellers Pvt. Ltd.

Samvara Buildtech Pvt. Ltd.

Sanathnagar Enterprises Ltd.

Sarvavasa Buildtech and Farms Pvt. Ltd.

Shree Sainath Enterprises Construction and Developers Pvt. Ltd.

Shreeniwas Cotton Mills Ltd.

Siddhnath Residential Paradise Pvt. Ltd.

Simtools Pvt. Ltd.

Sitaldas Estate Pvt. Ltd.

Sri Kaiilas Properties & Agro Farms Pvt. Ltd.

Suryakrupa Constructions Pvt. Ltd.

**b) Limited Liability Partnership under Control:**

Lodha Fincorp Distribution Services LLP

**c) Partnership Firms Under Control:**

Mahavir Associates

Vivek Enterprises

iii) <b>Entities added during the year</b>	<b>From</b>
Fellow Subsidiary	
Bellissimo Facilities Management Limited (Formerly Known as Lodha Facilities Management Limited)	01-September-2016
Jineshwar Real Estate Private Ltd.	14-September-2016
Marutinandan Developers Pvt. Ltd.	14-September-2016
iv) <b>Key Management Personnel:</b>	
Nilesh Rawat	

**B. Transactions during the year and Balances Outstanding as at the year ended 31st March, 2017 with related parties are as follows:**

(i) **Transactions:** (₹ in Lakhs)

Sr. No.	Nature of Transactions	Holding Company	Fellow Subsidiaries	Others
1	Loans taken	-	896.94	-
		(-)	(1,129.64)	(-)
2	Interest Expenses	-	193.67	-
		(-)	(232.20)	(-)
3	Amount paid on behalf by	-	-	-
		(-)	(4.00)	(-)
4	Amount paid on behalf of	-	4.00	-
		(-)	(-)	(-)
5	Reimbursements Given	-	-	-
		(46.46)	(29.44)	(-)

(ii) **Outstanding Balances:** (₹ in Lakhs)

Sr. No.	Nature of Transactions	Holding Company	Fellow Subsidiaries	Others
1	Loans Taken	-	2,554.14	-
		(-)	(1,746.54)	(-)
2	Other Advances	-	2.50	-
		(-)	(-)	(-)
3	Interest accrued but not due on borrowings	-	193.67	-
		(-)	(211.94)	(-)
4	Trade Payables	-	-	-
		(25.16)	(29.44)	(-)
5	Other Liabilities	-	-	-
		(-)	(4.00)	(-)

(iii) **Disclosure in respect of material transactions with related parties:** (₹ in Lakhs)

Sr. No.	Nature of Transactions	Particulars	For the year ended 31-March-17	For the year ended 31-March-16
1	Loans Taken	Jawala Real Estate Pvt. Ltd.	896.94	1,129.64
2	Interest Expenses	Jawala Real Estate Pvt. Ltd.	193.67	202.61
		Lodha Buildcon Pvt. Ltd.	-	29.59
3	Amount paid on behalf by	Arihant Premises Pvt. Ltd.	-	4.00
4	Amount paid on behalf of	Arihant Premises Pvt. Ltd.	4.00	-
5	Reimbursements Given	Lodha Developers Pvt. Ltd.	-	25.16
		Nabhiraja Software Design Pvt. Ltd.	-	29.44

Note: No amount pertaining to related parties have been written off / back or provided for.

6 In terms of Accounting Standard 22 'Accounting for taxes on Income, the Company does not have any deferred tax.

**7 Basic and Diluted Earnings per share**

			As at 31/March/17 ₹ in Lakhs	As at 31/March/16 ₹ in Lakhs
a)	Net Loss for the year	(₹ in Lakhs)	(142.99)	(240.09)
b)	No. of Equity Shares as on April, 1st		10,000,000	10,000,000
	Add: Shares allotted		-	-
	No. of Equity Shares as on March, 31st		10,000,000	10,000,000
	Weighted average no. of Equity Shares		10,000,000	10,000,000
c)	Face value of Equity Share	(₹)	10	10
d)	Basic and Diluted Earning Per Share	(₹)	(1.43)	(2.40)

8 The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

(₹ in Lakhs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

9 Balance in certain accounts of trade payables are subject to reconciliation/confirmation.

- 10 a) Previous year figures have been regrouped / rearranged wherever necessary.  
b) Figures in brackets are related to previous year.

**24) Particulars as per NBFC Directions**

Non-Deposit taking Non-Banking Financial Company (As required in terms of paragraph 13 of Non-Banking Financial (Non-Depositing Accepting or Holding) Companies Prudential norms (Reserve Bank) Directions, 2015).

Liabilities side :			(₹ in Lakhs)
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
a	Debentures:		
	Secured :	-	-
		(-)	(-)
	Unsecured :	-	-
	(other than falling within the meaning of public deposits)	(-)	(-)
b	Deferred Credits	-	-
		(-)	(-)
c	Term Loans	-	-
		(-)	(-)
d	Inter-corporate loans and borrowing	2,747.81	-
		(2,371.88)	(-)
e	Commercial Paper	-	-
		(-)	(-)
f	Other Loans (specify nature) From a Director	-	-
		(-)	(-)

<b>Assets side :</b>		
<b>2</b>	<b>Break-up of Loans and Advances including bills receivables (Other than those included in (4) below):</b>	<b>Amount outstanding</b>
<b>a</b>	Secured	-
		(-)
<b>b</b>	Unsecured	1,220.94
		(475.07)
<b>3</b>	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities.</b>	
<b>a</b>	<b>Lease assets including lease rentals under sundry debtors :</b>	
	Financial lease	-
		(-)
	Operating lease	-
		(-)
<b>b</b>	<b>Stock on hire including hire charges under sundry debtors:</b>	
	Assets on hire	-
		(-)
	Repossessed Assets	-
		(-)
<b>c</b>	<b>Other Loans counting towards AFC activities :</b>	
	Loans where assets have been repossessed	-
		(-)
	Loans other than above	-
		(-)
<b>4</b>	<b>Break-up of Investments</b>	<b>Amount outstanding</b>
	<b>Current Investments :</b>	
<b>I</b>	<b>Quoted:</b>	
	(i) Shares :	
	Equity	-
		(-)
	Preference	-
		(-)
	(ii) Debentures and Bonds	-
		(-)
	(iii) Units of mutual funds	-
		(-)
	(iv) Government Securities	-
		(-)
	(v) Others (please specify)	-
		(-)
<b>II</b>	<b>Unquoted:</b>	
	(i) Shares :	
	Equity	-
		(-)
	Preference	-
		(-)
	(ii) Debentures and Bonds	-
		(-)
	(iii) Units of mutual funds	0.13
		(0.13)
	(iv) Government Securities	-
		(-)
	(v) Others (please specify)	-
		(-)

<b>b</b>	<b>Long Term investments</b>	
<b>I</b>	<b>Quoted:</b>	
	(i) Shares :	
	Equity	-
		(-)
	Preference	-
		(-)
	(ii) Debentures and Bonds	-
		(-)
	(iii) Units of mutual funds	-
		(-)
	(iv) Government Securities	-
		(-)
	(v) Others (please specify)	-
		(-)
<b>II</b>	<b>Unquoted:</b>	
	(i) Shares :	
	Equity	-
		(-)
	Preference	-
		(-)
	(ii) Debentures and Bonds	-
		(-)
	(iii) Units of mutual funds	-
		(-)
	(iv) Government Securities	-
		(-)
	(v) Others (please specify)	-
		(-)

**5 Borrower group-wise classification of Assets financed as in (2) and (3) above**

Sr No.	Category	Amount net of provisions		
		Secured (₹ in Lakhs)	Unsecured (₹ in Lakhs)	Total (₹ in Lakhs)
<b>a</b>	<b>Related Parties</b>			
	(i) Subsidiaries	-	-	-
		(-)	(-)	(-)
	(ii) Companies in the same group	-	-	-
		(-)	(-)	(-)
	(iii) Other related parties	-	-	-
		(-)	(-)	(-)
<b>b</b>	<b>Other than related parties</b>	-	1,220.94	1,220.94
		(-)	(475.07)	(475.07)

6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(₹ in Lakhs)

Sr. No.	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
<b>a</b>	<b>Related Parties</b>		
	(i) Subsidiaries	-	-
		(-)	(-)
	(ii) Companies in the same group	-	-
		(-)	(-)
	(iii) Other related parties	-	-
		(-)	(-)
<b>b</b>	<b>Other than related parties</b>	0.13	0.13
		(0.13)	(0.13)
	<b>Total</b>	<b>0.13</b>	<b>0.13</b>
		<b>(0.13)</b>	<b>(0.13)</b>

7 Other Information

Sr. No.	Particulars	(₹ in Lakhs)
<b>a</b>	<b>Gross Non-Performing Assets</b>	
	(i) Related parties	-
		(-)
	(ii) Other than related parties	-
		(-)
<b>b</b>	<b>Net Non-Performing Assets</b>	
	(i) Related parties	-
		(-)
	(ii) Other than related parties	-
		(-)
<b>c</b>	<b>Assets acquired in satisfaction of debt</b>	-
		(-)

NOTES :

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Non-Deposit taking Non-Banking Financial Company (As required in terms of paragraph 13 of Non-Systemically Important Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015).
- All Accounting Standard and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value net asset value in respect of unquoted investment should be disclosed irrespective of whether they are classified as long term or current in column(4) above.

As per our attached Report of even date

For MZSK & Associates

Chartered Accountants

Firm Registration No. : 105047W

For and on behalf of the Board

Abuali Darukhanawala  
Partner  
Membership No.: 108053

Nilesh Rawat  
Managing Director  
DIN: 06705140

Sanjyot Rangnekar  
Director  
DIN: 07128992

Place : Mumbai  
Date : 30th May,2017

Mahesh Bhatt  
Company Secretary  
Membership No: A3552

Purnima Pavle  
Chief Financial Officer  
Membership No.: 105205



# ROSELABS FINANCE LIMITED

**Regd Office** : 416, Anand Mangal Complex, Behind Omkar House, C. G. Road, Navrangpura, Ahmedabad- 380 009

**E-Mail** : roselabsfinance@lodhagroup.com **Website** : www.roselabsfinancelimited.in

**Phone No.:** +91 22 6133 4517

## PROXY FORM

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

CIN : L67120GJ1995PLC024070  
Name of the Company : Roselabs Finance Limited  
Registered Office : 416, Anand Mangal Complex, Behind Omkar House,C.  
G. Road, Navrangpura, Ahmedabad- 380 009  
Name of the Member(s) :  
Registered address :  
E-mail Id :  
Folio No. /Client Id & DP. Id :

I/We, being the Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_, or failing him
2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on Thursday, August 31, 2017 at 2.00 P.M. at: 401, Anand Mangal Complex, Behind Omkar House, C. G. Road, Navrangpura, Ahmedabad- 380 009 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:



Resolution(s) No.		For	Against
1.	Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon		
2.	Ratification of appointment of Statutory Auditors of the Company		
3.	Appointment of Ms. Sanjyot Rangnekar as a Director		
4.	Appointment of Mr. Nilesh Rawat as Managing Director of the company		
5.	Change in registered office of the Company from the State of Gujarat to the State of Maharashtra		

Affix  
Revenue  
Stamp

Signed this ..... day of ..... 2017

Signature of shareholder(s) :

Signature of Proxy holder(s) :

**Notes:**

1. This form of proxy in order to be effective should be duly completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Twenty First Annual General Meeting.
- \*3. This is only optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Kindly affix revenue stamp of not less than Re. 1 on the proxy form before depositing at the registered office.



# ROSELABS FINANCE LIMITED

Regd Office : 416, Anand Mangal Complex, Behind Omkar House, C. G. Road, Navrangpura, Ahmedabad - 380 009

CIN: L67120GJ1995PLC024070; Phone No.: +91 22 6133 4517

E-Mail: roselabsfinance@lodhagroup.com; Website: www.roselabsfinancelimited.in;

## ATTENDANCE SLIP

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE REGISTRATION COUNTER**

1. Name of the member / proxy :
2. Folio No. / Client Id & DP Id :
3. Number of shares held :

I certify that I am a member/proxy/authorised representative for the member of the Company.

I hereby record my presence at the Twenty Third Annual General Meeting of the Company to be held on Thursday August 31, 2017 at 2.00 p.m. at 401, Anand Mangal Complex, Behind Omkar House, C. G. Road, Navrangpura, Ahmedabad- 380 009.

\_\_\_\_\_  
Name of the member / proxy

\_\_\_\_\_  
Signature of the member / proxy

Note : Kindly complete the Folio / DP ID - Client ID No. and name, sign this Attendance Slip at the entrance of the Meeting hall







## Route Map to the AGM Venue



↓ Anand Mangal Complex,  
B/H, Omkar House, C.G. Road,  
Navrangpura, Ahmedabad – 380 009

*If undelivered, please return to :*

The Secretarial Department

**ROSELABS FINANCE LIMITED**

Regd. Office : 412, Floor- 4, 17G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400001