

ROSELABS FINANCE LIMITED

26th ANNUAL REPORT FINANCIAL YEAR 2019-20

IN VIEW OF GREEN INITIATIVES INITIATED BY THE GOVT. OF INDIA, MINISTRY OF CORPORATE AFFAIRS, WE REQUEST YOU TO REGISTER YOUR EMAIL ID WITH THE REGISTRAR AND SHARE TRANSFER AGENT, IF YOU ARE HOLDING SHARES IN PHYSICAL MODE AND WITH YOUR DEPOSITORY PARTICIPANT, IF YOU ARE HOLDING SHARES IN DEMATERIALISED FORM.

SEBI HAS MANDATED THAT SECURITIES OF LISTED COMPANIES CAN BE TRANSFERRED ONLY IN DEMATERIALISED FORM W.E.F. APRIL 1, 2019. ACCORDINGLY THE COMPANY / ITS RTA HAS STOPPED ACCEPTING ANY FRESH LODGEMENT OF TRANSFER OF SHARES IN PHYSICAL FORM. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE ADVISED TO AVAIL OF THE FACILITY OF DEMATERIALISATION.

ROSELABS FINANCE LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ms. Sanjyot Rangnekar	Chairperson-Non Executive Director
Mr. Nilesh Rawat	Managing Director
Mr. Prakash Vaghela	Independent Director
Mr. Mayank Padiya	Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Pravin Kumar Kabra	Chief Financial Officer
Mr. Abhijeet Shinde	Company Secretary & Compliance officer

STATUTORY AUDITORS

MSKA & Associates, Chartered Accountants

REGISTERED OFFICE

412, 17G Vardhaman Chamber,
Cawasji Patel Road,
Horniman Circle, Fort, Mumbai-400 001
Tel.: +91-22-23024400 Fax: +91 -22-23024550
Website: www.roselabsfinancelimited.in
E-mail: roselabsfinance@lodhagroup.com

CORPORATE OFFICE

Lodha Excelus, 10th floor,
Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai 400 011
Tel.: +91-22-6195 9662 Fax: +91-22-2302 4420

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited
C 101, 247 Park, LBS Road, Surya Nagar,
Gandhi Nagar, Vikhroli West,
Mumbai - 400083
Tel: 91-22-25963838
Fax: 91-22 -2594 6969
Email Id: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

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NOTICE

Notice is hereby given that the **26th ANNUAL GENERAL MEETING** of the Members of Roselabs Finance Limited will be held on Wednesday, September 30, 2020, at 3.00 p.m. through video conferencing / Other Audio Visual Means 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, 2020, together with the Reports of the Board of Directors and the Auditors thereon and in this regard pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2. To appoint a director in place of Ms. Sanjyot Rangnekar (DIN: 07128992), who retires by rotation and being eligible, offers herself for re-appointment.

By Order of the Board of Directors

Abhijeet Shinde
Company Secretary
Membership No.: A33077

Registered Office

412, Floor- 4, 17G Vardhaman Chamber,
Cawasji Patel Road, Horniman Circle,
Fort, Mumbai-400001
Website: www.roselabsfinancelimited.in
E-mail: roselabsfinance@lodhagroup.com

Place: Mumbai

Date: June 8, 2020

NOTES:

- 1) Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Corporate Office of the Company at 10th Floor, Lodha Excelus, N.M. Joshi Marg, Mahalaxmi, Mumbai 400011. Pursuant to MCA Circulars and SEBI Circulars, this annual report is being sent by email only.
- 2) Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. The resolution authorising for the aforesaid shall be sent to the Company at roselabfinance@lodhagroup.com with a copy marked to cs.shravangupta@gmail.com, a scrutiniser and NSD at evoting@nsdl.co.in

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- 3) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 4) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 5) Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
- 6) In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.roselabsfinancelimited.in .The Notice may also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- 7) 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 101, 247 Park, LBS Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083, Tel No: 022-25963838 Email Id: rnt.helpdesk@linkintime.co.in enclosing their original share certificate to enable them to consolidate the holdings into one folio.
- 8) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.
- 9) All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to roselabsfinance@lodhagroup.com
- 10) In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, the 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 the 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**, the Registrar and Transfer Agent of the Company. Further, the members holding shares in electronic mode are requested to keep their email addresses updated with the Depository Participants. Members holding shares in the physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company quoting their folio number(s).
- 11) 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 R&T Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes either to the Company or to the Company's R&T Agent.

- 12) The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the 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 R&T Agent of the Company.
- 13) Members who would like to express their views or ask questions during the meeting will be required to register themselves as speaker by sending e-mail to the Company Secretary at roselabsfinance@lodhagroup.com from their registered e-mail address, mentioning their name, DP ID and Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker by 10.30 a.m. on Monday, 28th September, 2020 will be able to speak at the meeting. Further, Members who would like to have their questions / queries responded to during the AGM are requested to send such questions / queries in advance within the aforesaid date and time, by following similar process as stated above.
- 14) Members holding shares of the Company as on Wednesday, September 23, 2020 (cut-off date), shall be entitled to vote by e-voting and at the Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- 15) A Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 16) In terms of Section 152 of the Act, Ms. Sanjyot Rangnekar, retires by rotation at the Meeting and being eligible, offers herself for re-appointment. The Nomination and Remuneration Committee of the Board and the Board of Directors of the Company has recommended her re-appointment.
- 17) The additional information in respect of re-appointment of Ms. Sanjyot Rangnekar as Director, liable to retire by rotation, 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, are provided as Annexure 1 to the Explanatory Statement.
- 18) Ms. Sanjyot Rangnekar is interested in the Ordinary Business as set out at Item No. 2 of the Notice with respect to her re- appointment. The relatives of Ms. Sanjyot Rangnekar may also be deemed to be interested in the said Resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their Relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out under Item No. 2.
- 19) The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting. Information and instructions including details of User ID and password relating to such e-voting are provided as follows:
 - a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
 - b. Any person, who acquires shares of the Company and becomes member of the Company after the dispatch of the notice and holding shares as of the cut-off date i.e., Wednesday, September 23, 2020 may obtain their 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 then you can use your existing user ID and password for casting your vote.
 - c. The voting rights of the members shall be in proportion to the number of equity shares held by them as on the cut-off date Wednesday, September 23, 2020.

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- d. 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 cut-off date i.e. Wednesday, September 23, 2020 only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
- e. The remote e-voting period commences on Sunday, September 27, 2020 (9:00 am) and ends on Tuesday, September 29, 2020 (5:00 pm). During this period the members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, September 23, 2020, 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 or vote again.
- f. 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).
- g. The Company has appointed Shравan A Gupta & Associates, Practising Company Secretary (PCS No. 9990), as the scrutinizer (the 'Scrutinizer') for scrutizing the remote e-voting process as well as voting at the AGM in a fair and transparent manner.
- h. The Members present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM and e-voting will be opened for 15 minutes after the close of AGM.
- i. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- j. The Scrutiniser will submit their report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM.
- k. The results declared along with the report of the Scrutinizer will be placed on the website of the Company www.roselabsfinancelimited.in and on the website of the NSDL immediately after the declaration of result by the Chairperson or a person authorized by her in writing. The results will also be immediately forwarded to the stock exchange (BSE Limited).
- l. The information and instructions including details of User ID and Password relating to such remote e-voting, e-voting at AGM and attending the AGM through VC/OAVM are as under:

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

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- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.shravangupta@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Sarita Mote, Asst. Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to roselabsfinance@lodhagroup.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to roselabsfinance@lodhagroup.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
6. Shareholders may call on toll free number of NSDL 1800-222-990, if they find any difficulty in joining the AGM.

By Order of the Board of Directors

Abhijeet Shinde
Company Secretary
Membership No.: A33077

Registered Office

412, Floor- 4, 17G Vardhaman Chamber,
Cawasji Patel Road, Horniman Circle,
Fort, Mumbai-400001
Website: www.roselabsfinancelimited.in
E-mail: roselabsfinance@lodhagroup.com

Place: Mumbai

Date: June 8, 2020

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Annexure 1

The Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India requires certain disclosures with respect to re-appointment of Ms. Sanjyot Rangnekar (DIN: 07128992) as the Director of the Company who are proposed to be appointed at this Annual General Meeting, which is mentioned below:

Name of the Director	Ms. Sanjyot Rangnekar (DIN: 07128992)
Date of Birth	July 6, 1970
Qualification	Member of the Institute of the Company Secretaries of India and the Institute of the Cost and Works Accountant of India
Experience	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 20 years' of experience as Company Secretary with Macrotech Developers Limited, Essar Power Limited, Swastik Surfactants Limited amongst others.
Terms & Conditions of appointment	Non-executive Director without any remuneration from the Company
Remuneration last drawn & Sought to be paid	N.A.
Date of Appointment on the Board	April 19, 2017
Directorships held in other companies as on March 31, 2020	1. Sanathnagar Enterprises Limited 2. Cowtown Software Design Private Limited 3. Center for Urban Innovation
Memberships of committees across companies (includes only Audit & Stakeholders Relationship Committee) as on March 31, 2020	1. Chairperson of Stakeholders Relationship Committee and Member of Audit Committee of the Company. 2. Member of Stakeholders Relationship Committee of Sanathnagar Enterprises Limited.
Shareholding in the Company (Equity)	Nil
Relationship with other Directors/ Manager/Key Managerial Personnel	None
Number of Board meetings attended during the year 2019-20	4 (Four)

DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present the 26th Annual Report of the Company alongwith the audited financial statements for the financial year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

(₹ in lakhs)

Particulars	2019-20	2018-19
Revenue from operations	-	-
Other income	0.39	1.64
Total Income	0.39	1.64
Finance costs	-	15.20
Total Expenditure	13.94	43.29
Profit before tax	(13.55)	(41.65)
Tax Expenses	-	2.77
Other Comprehensive Income	-	-
Total Comprehensive Income	(13.55)	(38.88)

REVIEW OF PERFORMANCE AND FUTURE OUTLOOK

Total revenue reduced to ₹ 0.39 lakh during the financial year 2019-20 from ₹ 1.64 lakh during financial year 2018-19. Total expenditure reduced to Rs 13.94 lakh during the financial year 2019-20 from ₹ 43.29 lakh during financial year 2018-19. Net loss during the year amounted to ₹ 13.55 lakh against net loss of ₹ 38.88 lakh during financial year 2018-19.

Pursuant to the cancellation of the Certificate of Registration in previous financial year, the Company is not permitted to pursue any NBFC activity. The company is evaluating appropriate business opportunity in alternate business lines in the real estate development sector.

Since the company does not have any ongoing business activity, there is no impact of outbreak of Covid-19 all over the world including India.

DIVIDEND AND RESERVES

The Board does not recommend any dividend for the financial year under review in view of the losses sustained during the year. No amount is proposed to be transferred to reserves during the year.

ANNUAL RETURN

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for financial year 2019-20 is given in **Annexure I** in Form MGT-9, which is a part of this report.

CHANGES IN SHARE CAPITAL

There was no change in the authorized and paid-up share capital of the Company during financial year 2019-20.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Nilesh Rawat, Mr. Prakash Vaghela, Mr. Mayank Padiya and Ms. Sanjyot Rangnekar were continue to be Directors of the Company

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Ms. Sanjyot Rangnekar retires by rotation and being eligible, offers herself for re-appointment. Necessary resolutions are included in the accompanying notice of the Annual General Meeting.

Mr. Mayank Jain appointed on August 8, 2019 and resigned on February 21, 2020 as Chief Financial Officers of the Company. Mr. Pravin Kabra was appointed on June 8, 2020 as Chief Financial Officer of the Company.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company as on the date of this report:

- Mr. Nilesh Rawat, Managing Director
- Mr. Pravin Kabra, Chief Financial Officer
- Mr. Abhijeet Shinde, Company Secretary & Compliance Officer

The Company has received declarations under section 149 of the Act from all independent directors confirming that they meet the criteria of independence prescribed under the Act and the Listing Regulations.

None of the Non-Executive Directors had any pecuniary relationship or transaction with the Company which could potentially conflict with the interests of the Company at large.

BOARD AND BOARD COMMITTEES

Board Meetings

Four Board meetings were held during the year. These meetings were held on May 16, 2019, August 8, 2019, October 21, 2019 and January 16, 2020. The gap between two meetings did not exceed the period stipulated in the Companies Act 2013 and the Secretarial Standards. The Details of Board Meeting held and attendance of the Directors is given hereunder:

Sr. No.	Name of the Director	Number of Meetings which director was entitled to attend	Number of Meetings attended
1.	Mr. Nilesh Rawat	4	4
2.	Ms. Sanjyot Rangnekar	4	4
3.	Mr. Prakash Vaghela	4	4
4.	Mr. Mayank Padiya	4	4

Independent Directors' Meeting

In compliance with Schedule IV to the Act (Code for Independent Directors) and the Listing Regulations, the Independent Directors of the Company met separately on January 16, 2020.

Board Committees

The Board has constituted three committees as on March 31, 2020.

Audit Committee

As on March 31, 2020, the Audit Committee comprised Mr. Mayank Padiya, Chairman and Mr. Prakash Vaghela, both independent directors and Ms Sanjyot Rangnekar. All Members of the Committee have relevant experience in financial matters. Senior executives are invited to participate in the meetings of the Committee as and when necessary. The Managing Director and Chief Financial Officer are permanent invitees to the meetings and the Company Secretary acts as Secretary to the Committee. The terms of reference of the Audit Committee are in line with the provisions of Section 177 of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The Audit Committee met four times during the year; on May 16, 2019, August 8, 2019, October 21, 2019 and January 16, 2020. All members attended all meetings during the year.

Nomination & Remuneration Committee

As on March 31, 2020, the Nomination & Remuneration Committee comprised Mr. Mayank Padiya, Chairman and Mr. Prakash Vaghela, both independent directors and Ms Sanjyot Rangnekar. The terms of reference of the Committee are in line with the provisions of Section 178 of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The Committee met twice during the year; on May 16, 2019 and August 8, 2019. All members attended all meetings during the year.

Stakeholders' Relationship Committee

As on March 31, 2020, the Stakeholders' Relationship Committee comprised Ms. Sanjyot Rangnekar, Chairperson and Mr. Mayank Padiya and Mr. Prakash Vaghela, both independent directors. The Committee met four times during the year; on May 16, 2019, August 8, 2019, October 21, 2019 and January 16, 2020. All members attended all meetings during the year.

BOARD EVALUATION

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

POLICY ON NOMINATION & REMUNERATION OF DIRECTORS, KMPS & OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the NRC is responsible for formulating the criteria for determining qualifications, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board, a policy relating to remuneration of Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted a Nomination and Remuneration Policy which is available on the Company's website at www.roselabsfinancelimited.in. Salient features of the Policy are reproduced in **Annexure II** to this Report.

AUDITORS & AUDITOR'S REPORTS

- **Statutory Auditor**

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 27th AGM to be held in the year 2021.

- **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shraavan A. Gupta & Associates, Practising Company Secretary was appointed as Secretarial Auditor to conduct secretarial audit for the financial year 2019-20.

ROSELABS FINANCE LIMITED

Auditor's Reports

- The Statutory Auditor's Report for financial year 2019-20 does not contain any qualifications, reservations or adverse remarks. The Auditor's report is enclosed with the financial statements with this Annual Report.
- The Secretarial Audit Report for financial year 2019-20 does not contain any qualifications, reservations or adverse remarks. The Secretarial Audit Report is provided in **Annexure III** of this Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any Loans, Guarantees or provided security or made investments to/in any other company during the financial year under review.

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, that are required to be reported in Form AOC-2.

HOLDING COMPANY, SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES

The Company is a subsidiary of Macrotech Developers Limited. The ultimate holding company is Sambhavnath Infrabuild and Farms Private Limited. The Company does not have any subsidiary, joint venture or associate Company.

MANAGEMENT AND INTERNAL CONTROLS

Risk Management

Your Company has robust process in place to identify key risks and to prioritize relevant action plans to mitigate these risks. 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.

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 the Statutory as well as the 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

Your Company provides a common platform to its employees and directors for complaint handling in the form of whistle-blowing (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.roselabsfinancelimited.in.

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 not relevant to the Company as the Company has no employees, directors do not draw any remuneration (other than sitting fees) and key managerial personnel have been deputed by the holding company.

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, as amended do not apply as there are no employees.

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of business of the Company, 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 are required to be furnished. There was no foreign exchange earnings or outgo during the financial year 2019-20.

CORPORATE GOVERNANCE REPORT

As the paid up equity share capital and networth of the Company are below the limits specified in Regulation 15 of the Listing Regulations, the Company is not required to furnish a report on corporate governance and therefore the same does not form part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34 read with Schedule V of the Listing Regulations is given separately which may be taken as forming a part of this Report.

OTHER UPDATES

By Order dated December 23, 2019, the Adjudicating Officer of SEBI has confirmed their Show-Cause Notice dated December 15, 2009 imposing penalty of ₹ 253.73 Lakhs for alleged violation of certain provisions of SEBI Regulations during the financial year 2003-04, when the Company was under the control of earlier promoters. The Company has filed an appeal before the Securities Appellate Tribunal challenging the Order. The Company has assessed that it is not probable that an out flow of resources embodying economic benefits will be required to settle the obligation, and hence, no provision is considered necessary.

GENERAL

Your Directors state that for the financial year ended March 31, 2020, 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 Board's report.
- b. As there are no employees, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company.

ROSELABS FINANCE LIMITED

- c. There are no material changes or commitments affecting the financial position of the Company between March 31, 2020 and the date of this report.
- d. The Company has not accepted any deposits during the financial year.
- e. No instance of fraud has been reported to the Board by the Auditors or any other person.
- f. No significant or material orders which impact the going concern status and Company's operations in future were passed by Regulators/Courts/Tribunals (other than as disclosed in this report)
- g. There was no issue of equity shares with differential rights as to dividend, voting or otherwise
- h. The Company has not issued any shares (including sweat equity shares) to its employees under any scheme
- i. The Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India during the financial year 2019-20.
- j. The provisions related to Corporate Social Responsibility are not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

- a. in the preparation of the annual accounts the applicable accounting standards had been followed and there are no material departures;
- b. 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 controls 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.

ACKNOWLEDGEMENTS

Your Directors would like to express their grateful appreciation for the assistance and support extended by all stakeholders.

For and on behalf of the Board
Roselabs Finance Limited

Date : June 8, 2020
Place : Mumbai

Sanjyot Rangnekar
Chairperson
DIN: 07128992

Nilesh Rawat
Managing Director
DIN: 06705140

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

**AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020
OF
ROSELABS FINANCE LIMITED**

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

I. REGISTRATION AND OTHER DETAILS

CIN	:	L70100MH1995PLC318333
Registration Date	:	4-Jan-1995
Name of the Company	:	Roselabs Finance Limited
Category	:	Company Limited by Shares
Sub-Category of the Company	:	Indian Non-Government Company
Address of the Registered Office and contact details	:	412, Floor-4, 17G,Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400 001
Whether listed company	:	Yes
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	:	C 101, 24/7 Park, LBS Road, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai – 400083

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The Company did not have any business activity which constituted 10% or more of the total turnover of the Company during financial year.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. NO 1	Name and Address of the Company 2	CIN 3	Holding/Subsidiary/ Associate	% of share held	Applicable Section 4
1.	Macrotech Developers Limited (FKA Lodha Developers Limited)	412, Floor- 4, 17G Vardhaman, Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai – 400001	U45200MH1995PLC093041	74.25	2(46)

Note: The Company did not have any subsidiaries, joint ventures and associate company during financial year.

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

(i) Category-wise Share Holding

Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Shareholding of Promoter and Promoter Group									
Indian									
Individuals / Hindu undivided Family	-	-	-	-	-	-	-	-	-
Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
Any Other (Specify)	-	-	-	-	-	-	-	-	-
Bodies Corporate	74,24,670	-	74,24,670	74.25	74,24,670	-	74,24,670	74.25	-
Sub Total (A)(1)	74,24,670	-	74,24,670	74.25	74,24,670	-	74,24,670	74.25	-
Foreign									
Individuals (Non-Resident individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter group(A)=(A)(1)+(A)(2)	74,24,670	-	74,24,670	74.25	74,24,670	-	74,24,670	74.25	-
Public Shareholding									
Institutions	-	-	-	-	-	-	-	-	-
Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Alternate Investment Funds	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)	-	-	-	-	-	-	-	-	-
Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-
Sub Total (B)(2)	-	-	-	-	-	-	-	-	-
Non-Institutions	-	-	-	-	-	-	-	-	-
Individuals	-	-	-	-	-	-	-	-	-
Individual shareholders holding nominal share capital upto ₹ 1 lakh.	3,92,509	2,50,530	6,43,039	6.43	4,06,786	2,39,830	6,46,616	6.47	0.04
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	5,17,850	3,39,600	8,57,450	8.57	5,29,649	3,27,600	8,57,249	8.57	-0.00
NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
Overseas Depositories	-	-	-	-	-	-	-	-	-
Any Other (Specify)	-	-	-	-	-	-	-	-	-
Hindu Undivided Family	41,708	-	41,708	0.42	49,550	-	49,550	0.50	0.01
Non Resident Indians	1,010	-	1,010	0.01	10	-	10	0.00	-
Clearing Member	150	-	150.00	0.00	0	-	0	0.00	-
Bodies Corporate	9,83,473	48,500	10,31,973	10.32	9,73,405	48,500	10,21,905	10.22	-0.10
Sub Total (B)(3)	19,36,700	6,38,630	25,75,330	25.75	19,59,400	6,15,930	25,75,330	25.75	0.00
Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	19,36,700	6,38,630	25,75,330	25.75	19,59,400	6,15,930	25,75,330	25.75	0.00
Total (A)+(B)	93,61,370	6,38,630	1,00,00,000	100.00	93,84,070	6,15,930	1,00,00,000	100.00	0.00
Non Promoter - Non Public									
Custodian/DR Holder	-	-	-	-	-	-	-	-	-
Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
Total (A)+(B)+(C)	93,61,370	6,38,630	1,00,00,000	100.00	93,84,070	6,15,930	1,00,00,000	100.00	0.00

(ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	
Arihant Premises Private Limited	74,24,670	74.25	0	-	-	-	(74.25)
Macrotech Developers Limited	-	-	-	74,24,670	74.25	0	74.25

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

(i) Particulars	Date	Shareholding details		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Arihant Premises Private Limited					
At the beginning of the period	01-Apr-2019	74,24,670	74.25	74,24,670	74.25
Changes during the year					
Transfer on account of merger of Arihant Premises Private Limited with Macrotech Developers Limited	19-Mar-2020	(74,24,670)	(74.25)	-	-
At the end of the year	31-Mar-2020	-	-	-	-
Macrotech Developers Limited					
At the beginning of the period	01-Apr-2019	-	-	-	-
Changes during the year					
Transfer on account of merger of Arihant Premises Private Limited with Macrotech Developers Limited	19-Mar-2020	74,24,670	74.25	74,24,670	74.25
At the end of the year	31-Mar-2020	74,24,670	74.25	74,24,670	74.25

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

Sr.	Top 10 shareholders	Date of change	Shareholding details		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ARHANATHJI BUILDERS AND FARMS PVT LTD					
	At the beginning of the year	01-04-2019	4,95,557	4.96	4,95,557	4.96
	Changes during the year	-	-	-	-	
	At the end of the year	31-03-2020	4,95,557	4.96	4,95,557	4.96

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Sr.	Top 10 shareholders	Date of change	Shareholding details		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2	OM SHANTI REALSPACE PRIVATE LIMITED					
	At the beginning of the year	01-04-2019	4,39,652	4.40	4,39,652	4.40
	Changes during the year	-	-	-	-	-
	At the end of the year	31-03-2020	4,39,652	4.40	4,39,652	4.40
3	HARSHA HITESH JAVERI					
	At the beginning of the year	01-04-2019	2,00,000	2.00	2,00,000	2.00
	Changes during the year	-	-	-	-	-
	At the end of the year	31-03-2020	2,00,000	2.00	2,00,000	2.00
4	NINA RANI					
	At the beginning of the year	01-04-2019	1,25,800	1.29	1,25,800	1.29
	Changes during the year	-	-	-	-	-
	At the end of the year	31-03-2020	1,25,800	1.29	1,25,800	1.29
5	HITESH RAMJI JAVERI					
	At the beginning of the year	01-04-2019	1,24,442	1.24	1,24,442	1.24
	Changes during the year	-	-	-	-	-
	At the end of the year	31-03-2020	1,24,442	1.24	1,24,442	1.24
6	BHARAT PRAVIN MEGHANI					
	At the beginning of the year	01-04-2019	83,700	0.84	83,700	0.84
	Changes during the year	-	-	-	-	-
	At the end of the year	31-03-2020	83,700	0.84	83,700	0.84
7	SURENDAR HANSRAJ SHARMA					
	At the beginning of the year	01-04-2019	39,212	0.39	39,212	0.39
	Acquired during the year	19-04-2019	2,000	0.02	41,212	0.41
	Acquired during the year	26-04-2019	1,000	0.01	42,212	0.42
	Acquired during the year	06-09-2019	4,000	0.04	46,212	0.46
	Acquired during the year	13-09-2019	1,000	0.01	47,212	0.47
	Acquired during the year	04-10-2019	1,100	0.01	48,312	0.48
	Acquired during the year	11-10-2019	2,700	0.03	51,012	0.51
	At the end of the year	31-03-2020	51,012	0.51	51,012	0.51
8	SANGHVI FINCAP LIMITED					
	At the beginning of the year	01-04-2019	48,500	0.49	48,500	0.49
	Changes during the year	-	-	-	-	-
	At the end of the year	31-03-2020	48,500	0.49	48,500	0.49
9	SUNITA HURKAT					
	At the beginning of the year	01-04-2019	48,300	0.48	48,300	0.48
	Acquired during the year	10-05-2019	8,500	0.40	39,800	0.40
	Sold during the year	07-06-2019	2,600	0.03	37,200	0.37
	At the end of the year	31-03-2020	37,200	0.37	37,200	0.37

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Sr.	Top 10 shareholders	Date of change	Shareholding details		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
10	ANIL NARENDRA SHAH					
	At the beginning of the year	01-04-2019	27,200	0.27	27,200	0.27
	Changes during the year	-	-	-	-	-
	At the end of the year	31-03-2020	27,200	0.27	27,200	0.27

(v) Shareholding of Directors and Key Managerial Personnel

Directors and Key Managerial Personnel do not hold any shares in the Company.

V. INDEBTEDNESS (Indebtedness of the Company including interest outstanding/accrued but not due for payment)

(Amount in ₹ Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	407.78	-	407.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	407.78	-	407.78
Change in Indebtedness during the financial year				
• Addition	-	41.65	-	41.65
• Reduction	-	-	-	-
Net Change	-	41.65	-	41.65
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid	-	449.43	-	449.43
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	449.43	-	449.43

ROSELABS FINANCE LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs)
		Prakash Vaghela	Mayank Padiya	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	75,000 - -	75,000 - -	1,50,000 - -
	Total (1)	75,000	75,000	1,50,000
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	- - -	- - -	- - -
	Total (2)	-	-	-
	Total (B)=(1+2)	75,000	75,000	1,50,000
	Total Managerial Remuneration	75,000	75,000	1,50,000
	Overall Ceiling as per the Act			N. A.

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

(Amt. in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CFO			CS	
		Purnima Pavle (April 1, 2019 to May 8, 2019)	Manoj Vaishya (May 16, 2019 to June 10, 2019)	Mayank Jain (August 8, 2019 to February 21, 2020)	Abhijeet Shinde	
1	Gross salary					
	a. Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	33,811	23,410	94,920	61,814	2,13,955
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-	-
	c. Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	N.A.	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.	N.A.
4	Commission					
	- as % of profit - others, specify...	N.A.	N.A.	N.A.	N.A.	N.A.
5	Others, please specify					
	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	33,811	23,410	94,920	61,814	2,13,955

* the CFO and CS are have been deputed by the holding company. Part of their salary has been charged to the Company and the same is being reimbursed by the Company to the holding company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences under the Companies Act, 2013 during the year ended March 31, 2020.

**For and on behalf of the Board
Roselabs Finance Limited**

**Date : June 8, 2020
Place : Mumbai**

Sanjyot Rangnekar
Chairperson
DIN: 07128992

Nilesh Rawat
Managing Director
DIN: 06705140

Salient features of the Nomination & Remuneration Policy

A. Policy Objectives

The objectives of the Nomination & Remuneration Policy are:

1. To ensure diversity on the Board of Directors
2. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (executive/non-executive/independent) of the Company
3. To recommend policy relating to the remuneration of the Directors, KMP and Senior Management to the Board of Directors of the Company
4. To formulate the criteria for evaluation of performance of Directors

B. Policy Coverage

Part A: Board Composition

Board Diversity

The Committee shall periodically review the size and composition of the Board so as to have an appropriate mix of executive and independent Directors, to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

Succession planning

The Committee shall establish and review Board, KMP and Senior Management succession plans in order to ensure and maintain a continuing balance of relevant skills, experience and expertise on the Board and Senior Management.

PART B: Appointment and removal of Directors, KMP and Senior Management

The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend their appointment to the Board.

The Committee may also recommend removal of a Director, KMP or Senior Management with reasons recorded in writing, subject to the provisions and compliance of the said Act, rules and regulations.

PART C: Remuneration to Directors, KMP and Senior Management

The overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company

Remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.

The Company may implement reward & retention schemes from time to time as per organizational needs. These shall be subject to approval of the Committee.

PART D: Board Evaluation

The Committee shall carry out an annual evaluation of performance of the Board and Board Committees and formulate criteria for evaluation of performance of independent directors and the Board.

The Committee shall determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**For and on behalf of the Board
Roselabs Finance Limited**

**Date : June 8, 2020
Place : Mumbai**

Sanjot Rangnekar
Chairperson
DIN: 07128992

Nilesh Rawat
Managing Director
DIN: 06705140

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020
[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
ROSELABS FINANCE LIMITED
CIN: L70100MH1995PLC318333
412, Floor 4, 17 G Vardhaman Chamber,
Cawasji Patel Road, Horniman Circle,
Fort Mumbai 400001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ROSELABS FINANCE LIMITED** (hereinafter called the “company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- a. The Companies Act 2013 and the Rules made thereunder
- b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- c. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investments, overseas direct investments, external commercial borrowings; - Not Applicable during the audit period
- e. 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;
 - (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 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable during the audit period**
 - (d) The Securities and Exchange Board of India (Share based employee benefits) Regulation, 2014; **Not Applicable during the audit period**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the audit period**
 - (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; **Not Applicable during the audit period**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable during the audit period**

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 notified on 11th September, 2018- **Not Applicable during the audit period**
- f. The other laws as are applicable specifically to the Company are compiled as per representation made by the management of company during the audit period.

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I further report that, during the audit period:

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 audit period 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.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 audit period,

- I. The Company do apply or make an application for settlement of allegations against the Company referred in the Show Cause notice bearing number ADJ/GAL/AS/187401/2009 dated 15th September, 2009 issued by SEBI.
- II. The Adjudicating Officer of the Securities and Exchange Board of India ("SEBI") by Order dated December 23, 2019 had confirmed the Show-Cause Notice dated December 15, 2009 issued by it alleging violation of the provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (collectively "Regulations") and, in that regard, imposed a penalty of ₹ 2.54 Crores upon the Company.

Shravan A. Gupta & Associates
Practicing Company Secretary

Shravan A. Gupta
ACS: 27484, CP: 9990
Place: Mumbai
UDIN : A027484B000312890
Date: 03.06.2020

MANAGEMENT DISCUSSION AND ANALYSIS

Cautionary Statement

Statements in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable laws or regulations. These statements are based on certain assumptions and reasonable expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent development.

(a) Industry structure and developments:

Economic Overview

The World Economic Outlook (WEO) Update of January 2020 published by IMF has estimated the global output to grow at 2.9 per cent in 2019, declining from 3.6 per cent in 2018 and 3.8 per cent in 2017. The global output growth in 2019 is estimated to be the slowest since the global financial crisis of 2009, arising from decline in manufacturing activity and trade. Trade tensions between China and the USA have also contributed to the decline of World output and trade. The onset of Covid 19 has caused the Global economy to come to a standstill due to Covid 19 related lockdowns and social distancing measures. Several advanced economies have contracted in Q1 2020. While economic activity has restarted in several economies with easing of Covid 19 related lockdowns in Q2 2020, the outlook for global economy for 2020 remains bleak.

The WEO update of October 2019 has estimated India's economy to become the fifth largest in the world, as measured using GDP at current US\$ prices, moving past United Kingdom and France. The size of the Indian economy is estimated at US\$ 2.9 trillion in 2019. India is targeting to become a US\$ 5 trillion economy by 2024-25.

The economic growth in 2019-20 has decelerated owing to a weak global economic environment, stress in the domestic financial sector and the onset of Covid 19 in Q4 of 2019-20. The growth in GDP during 2019-20 is estimated at 4.2% as compared to 6.1% in 2018-19. The onset of Covid 19 and consequent lockdown measures announced by the Indian Government have significantly impacted the economic output. The Government and the Reserve Bank of India have announced a number of monetary policy and fiscal policy measures to minimise the damage caused by Covid 19 and to bring the economy back on path of high growth. RBI cut the policy repo rate by 115 bps to 4.0% in Q1 2020-21 and by 225 bps since April 2019. The Government of India announced a stimulus package of INR 20 lakh crore to kick-start the economy and also announced a number of economic reforms to provide impetus to manufacturing growth in India across various sectors. These measures are expected to boost economic growth in the long term. Notwithstanding the near term economic headwinds, the long term outlook for economic growth in India is positive as the fundamentals of the Indian economy continue to remain strong.

Real Estate sector in India

The Indian real estate sector, which includes residential, office, retail, industrial and hospitality segments, is a key contributor to GDP growth and one of the largest employers in India.

The absorption of residential real estate across top 8 cities in India for 2019 grew by 1% to 245,861 units. The new launches grew by 25% to 223,325 units. Improvement in affordability through right sizing of units and reduction in mortgage rates have driven absorption. The new launches have been focussed on the affordable and mid-income segment. The consolidation in favour of large organised players which started with introduction of structural reforms like RERA and GST and change in consumer preferences is expected to accelerate in the wake of Covid 19. Ready to move in Inventory (RTMI) and affordable/ mid-income segment will continue to perform well.

The office segment continued its impressive growth in 2019 with the commercial stock in top 8 Indian cities increasing by 9% to 758m sq.ft. The new lease transactions have increased by 27% to 60.6m sq.ft. About 61.3m sq.ft of new supply has been completed in 2019. Despite the new supply, the overall vacancy is around 13% indicating strong demand for quality office space.

The industrial and warehousing segment continues to grow at a healthy rate driven by structural reforms such as GST and the growth of e-commerce and 3PL segments. The total stock grew by 25% to 211m sq.ft in 2019. This segment is expected to remain resilient to the impact of Covid 19. The increased penetration of digital economy and increase in manufacturing activity driven by Government impetus and growing trend of geographical diversification are expected to drive high growth in warehousing and industrial stock.

The MMR Residential Real Estate Market

Overview of the Mumbai Metropolitan Region Real Estate Segment

Mumbai is the financial hub of the country, generating approximately 5% of India's total GDP and accounting for a significant portion of India's total FDI inflows (approximately 29% of FDI inflows in India over 2000-2019). Mumbai is also the largest city in terms of population and is home to approximately 2% of India's population.

The MMR region is the largest real estate market in India compared to other key regions and cities across new sales value, units sold and average price realization. The absorption of residential real estate in Mumbai region fell by 5% to 60,943 units in 2019. The new launches increased by 7% to 79,810 units primarily in the affordable and mid-income space. The new Office leasing in MMR region grew by 22% to 9.7m sq.ft in 2019. The office stock grew by a mere 4% to 146m sq.ft and the vacancy level reduced from 19.5% to 17.5%. MMR witnessed an absorption of 7m sq.ft of warehousing space in 2019. The large consumer base and presence of the largest port in India will drive growth of industrial segment in MMR.

(b) Opportunities and Threats.

As on the date of this report the Company does not have any business in the Company, however the company evaluates business in real estate sector. The Govt. of Maharashtra has realized that rapid urbanization of Mumbai City is of utmost importance and has accordingly drawn up ambitious plans. With the introduction of RERA, rapid urbanization and improved living standard, the demand for housing in affordable sector is robust.

Single window clearance mechanism for approvals would go a long way in minimizing the time schedule for completing projects. Further, constant regulatory changes, recession in economies are the challenges for the Company.

(c) Segment-wise or product-wise performance.

The Company evaluates to operate in single segment of real estate development.

(d) Outlook

The real estate sector is one of the most globally recognized sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial.

The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy. It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Mumbai is expected to be the most favoured property investment destination for NRIs.

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(e) Risks and concerns.

Apart from the increase in land prices, inputs costs have also been constantly increasing. Higher interest cost would dent margins and may have a direct effect on the customer's cash flow as well. Increase in end product prices coupled with tight liquidity may impact demand. The various taxes and levies would add to the costs and this is likely to squeeze margins as end product prices may not go up correspondingly. The company has a Risk Management Policy, which is being periodically reviewed.

(f) Internal control systems and their adequacy.

The internal control commensurate with the activities is supplemented by continuous review by the management. The internal control system is designed to ensure that every aspect of the company's activity is properly monitored.

(g) Discussion on financial performance with respect to operational performance.

The details of financial performance and operation performance is given in the directors' report.

(h) Material developments in Human Resources / Industrial Relations front, including number of people employed.

Since the company does not have any business in the company and no employees, this is not applicable.

(i) Details of Significant Changes in key financial ratios:

The Company does not have business operations during the year, therefore ratios do not represent any meaning. Hence key financial ratios not provided.

(j) Details of any change in Return on Net Worth

The Company does not have any income from operation during the financial year 2019-20 and 2018-19.

Disclosure of Accounting Treatment:

In preparation of these financial statements, the Company has followed the prescribed Indian Accounting Standards and no different treatment had been followed.

INDEPENDENT AUDITOR'S REPORT**To the Members of Roselabs Finance Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of **Roselabs Finance Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020 and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

We have determined that there are no Key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and management discussion and analysis but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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.

ROSELABS FINANCE LIMITED

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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) 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, the statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 18 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.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

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

Bhavik L. Shah
Partner
Membership No.: 122071
UDIN: 20122071AAAACE3426

Place: Mumbai
Date: June 8, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ROSELABS FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2020.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Bhavik L. Shah
Partner
Membership No.: 122071
UDIN:20122071AAAACE3426

Place: Mumbai
Date: June 8, 2020

ROSELABS FINANCE LIMITED

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ROSELABS FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2020

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. The Company does not have any fixed assets (Property, Plant and Equipment). Accordingly, the provisions stated in paragraph 3(i) (a) to (c) of the Order are not applicable to the Company.
- ii. The Company does not have Inventory in its books. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.
- 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. Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186(1) of the Act. Further, as the Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186[except for sub-section(1)] are not applicable to it.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- 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 income-tax, goods and service tax, cess and any other statutory dues applicable to it. Further, no undisputed statutory dues were in arrears, as at March 31, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax and custom duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount ₹ In Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	148.75	Assessment year 2013-2014	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty	119.74	Assessment year 2013-2014	Commissioner of Income Tax (Appeals)

- viii. The Company does not have any loans or borrowings from any financial institutions, banks, government or has not issued any debentures. Accordingly, the provisions stated in paragraph 3(viii) of the Order are not applicable to the Company.
- 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.

ROSELABS FINANCE LIMITED

- xi. According to the information and explanations given to us and based on our examination the Company has not paid/provided for managerial remuneration during the year. 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, the transactions with the related parties are in compliance with the provisions of the 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 Indian Accounting Standard.
- 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 not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

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

Bhavik L. Shah
Partner
Membership No.: 122071
UDIN:20122071AAAACE3426

Place: Mumbai
Date: June 8, 2020

ROSELABS FINANCE LIMITED

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ROSELABS FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2020.

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

We have audited the internal financial controls with reference to financial statements of **Roselabs Finance Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the 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 with reference to financial statements based on 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 internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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

Bhavik L. Shah
Partner
Membership No.: 122071
UDIN:20122071AAAAACE3426

Place: Mumbai
Date: June 8, 2020

ROSELABS FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

	Notes	As at 31-March-20 ₹ in Lakhs	As at 31-March-19 ₹ in Lakhs
ASSETS			
Non-Current Assets			
Non - Current Tax Assets	2	107.50	110.75
Deferred Tax Assets	15	10.81	10.81
Total Non-Current Assets		118.31	121.56
Current Assets			
Financial Assets			
Cash and Cash Equivalents	3	1.03	0.96
Total Current Assets		1.03	0.96
Total Assets		119.34	122.52
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	4	1,000.00	1,000.00
Other Equity			
Retained Earnings	5	(1,331.05)	(1,317.50)
Other Reserves	6	-	-
Equity attributable to owners of the Company		(331.05)	(317.50)
Current Liabilities			
Financial Liabilities			
Borrowings	7	449.43	407.78
Trade Payables	8		
Due to Micro and Small Enterprises		-	-
Due to Others		0.46	0.65
Other Financial Liabilities	9	0.40	30.79
Other Current Liabilities	10	0.10	0.80
Total Current Liabilities		450.39	440.02
Total Liabilities		119.34	122.52
Total Equity and Liabilities		119.34	122.52
Significant Accounting Policies	1		
See accompanying notes to the Financial Statements	1 - 27		

As per our attached report of even date

For and on behalf of the Board of Directors of
Roselabs Finance Limited

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Bhavik L. Shah
Partner
Membership No. 122071

Sanjyot Rangnekar
(Chairperson)
DIN: 07128992

Nilesh Rawat
(Managing Director)
DIN: 06705140

Place : Mumbai
Date : 8-June-2020

Abhijeet Shinde
(Company Secretary)
Membership No: A33077

Pravin Kumar Kabra
(Chief Financial Officer)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Notes	For the Year ended 31-March-20 ₹ in Lakhs	For the Year ended 31-March-19 ₹ in Lakhs
I INCOME			
Other Income	11	0.39	1.64
Total Income		0.39	1.64
II EXPENSES			
Employee Benefits Expense	12	3.55	6.06
Finance Costs	13	-	15.20
Other Expenses	14	10.39	22.03
Total Expense		13.94	43.29
III Loss Before Tax (I-II)		(13.55)	(41.65)
IV Tax Expense			
Current Tax	15	-	(2.77)
Total Tax Expense		-	(2.77)
V Loss for the year (III-IV)		(13.55)	(38.88)
VI Other Comprehensive Income (OCI)			
A. Items that will not be reclassified to Statement of Profit and Loss		-	-
B. Items that will be reclassified to Statement of Profit and Loss		-	-
Total Other Comprehensive Income for the year (Net of Tax) (A+B)		-	-
VII Total Comprehensive Income for the year (VI + V)		(13.55)	(38.88)
VIII Earnings per Equity Share (in ₹) (Face value of ₹ 10 per Equity Share)			
Basic	24	(0.14)	(0.39)
Diluted		(0.14)	(0.39)
Significant Accounting Policies	1		
See accompanying notes to the Financial Statements	1 - 27		

As per our attached report of even date

For and on behalf of the Board of Directors of
Roselabs Finance LimitedFor MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047WBhavik L. Shah
Partner
Membership No. 122071Sanjyot Rangnekar
(Chairperson)
DIN: 07128992Nilesh Rawat
(Managing Director)
DIN: 06705140Place : Mumbai
Date : 8-June-2020Abhijeet Shinde
(Company Secretary)
Membership No: A33077Pravin Kumar Kabra
(Chief Financial Officer)

ROSELABS FINANCE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020

	For the Year ended 31-March-20 ₹ in Lakhs	For the Year ended 31-March-19 ₹ in Lakhs
(A) Operating Activities		
Loss Before Tax	(13.55)	(41.65)
Adjustments for:		
Sundry Balances written back	(0.16)	(0.75)
Sundry Balances written off	-	4.37
Contingent Provisions against Standard Assets	-	(0.89)
Finance Costs	-	15.20
Operating Loss before working capital changes	(13.71)	(23.74)
Working Capital Adjustments:		
(Increase) / Decrease in Trade and Other Receivables	-	(4.37)
(Decrease) / Increase in Trade and Other Payables	(31.12)	4.19
Cash used in Operating Activities	(44.83)	(23.90)
Income Tax (paid)/ refund received (net)	3.25	(25.90)
Net Cash Flows used in Operating Activities	(41.58)	(49.80)
(B) Investing Activities		
Sale of Investments	-	0.13
Net Cash Flows from Investing Activities	-	0.13
(C) Financing Activities		
Finance Costs paid	-	(15.20)
Proceeds / (Repayment) of Borrowings (Net)	41.65	19.96
Net Cash Flows from Financing Activities	41.65	4.76
(D) Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C) :	0.07	(44.91)
Cash and Cash Equivalents at the beginning of the year	0.96	45.87
Cash and Cash Equivalents at end of the year (Refer Note 3)	1.03	0.96

Notes:

- Cash flow statement has been prepared under the indirect method as set out in Ind AS-7 specified under the Section 133 of the Act.
- Reconciliation of liabilities arising from financing activities under Ind AS 7

	31-March-20	31-March-19
Borrowings		
Balance at the beginning of the year	407.78	387.82
Cash flow	41.65	19.96
Non cash changes	-	-
Balance at the end of the year	449.43	407.78

As per our attached report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Bhavik L. Shah
Partner
Membership No. 122071

Place : Mumbai
Date : 8-June-2020

For and on behalf of the Board of Directors of
Roselabs Finance Limited

Sanjyot Rangnekar
(Chairperson)
DIN: 07128992

Abhijeet Shinde
(Company Secretary)
Membership No: A33077

Nilesh Rawat
(Managing Director)
DIN: 06705140

Pravin Kumar Kabra
(Chief Financial Officer)

ROSELABS FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

(A) EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31-March-20	As at 31-March-19
Balance at the beginning of the reporting year	1,000.00	1,000.00
Issued during the year	-	-
Balance at the end of the reporting year	1,000.00	1,000.00

(B) OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus		Total
	Statutory Reserve	Retained Earnings	
As at 01-April -19	-	(1,317.50)	(1,317.50)
Loss for the year	-	(13.55)	(13.55)
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	-	(13.55)	(13.55)
As at 31-March-20	-	(1,331.05)	(1,331.05)

₹ in Lakhs

Particulars	Reserves and Surplus		Total
	Statutory Reserve	Retained Earnings	
As at 01-April -18	15.62	(1,294.24)	(1,278.62)
Loss for the year	-	(38.88)	(38.88)
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	-	(38.88)	(38.88)
Transfer (to) / from retained earnings	(15.62)	15.62	-
As at 31-March -19	-	(1,317.50)	(1,317.50)

As per our attached report of even date

For and on behalf of the Board of Directors of
Roselabs Finance Limited

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Bhavik L. Shah
Partner
Membership No. 122071

Sanjyot Rangnekar
(Chairperson)
DIN: 07128992

Nilesh Rawat
(Managing Director)
DIN: 06705140

Place : Mumbai
Date : 8-June-2020

Abhijeet Shinde
(Company Secretary)
Membership No: A33077

Pravin Kumar Kabra
(Chief Financial Officer)

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2020

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A Company's Background

Roselabs Finance Ltd. (the Company) is a public limited Company domiciled and incorporated in India under the Indian Companies Act, 1956 Vide CIN - L70100MH1995PLC318333. The Company's registered office is located at 412, Floor-4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400 001. The Company is primarily engaged in the business of real estate development.

B Significant Accounting Policies

I Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting, except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs except when otherwise indicated.

II Summary of Significant Accounting Policies

1 Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

Notes to Financial Statement for the year ended 31st March, 2020

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The operating cycle of the Company's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Accordingly, project related assets and liabilities are classified into current and non-current based on the operating cycle of the project. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

2 Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

The Company classifies its financial assets in the following measurement categories.

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i) Debt instruments at amortised cost
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Notes to Financial Statement for the year ended 31st March, 2020

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- i) The rights to receive cash flows from the asset have expired, or

Notes to Financial Statement for the year ended 31st March, 2020

- ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

The Company assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Company is not exposed to any credit risk as the legal ownership of residential and commercial units are transferred to the buyer only after all the installments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased. If a write-off is later recovered, the recovery is credited to finance costs.

Financial LiabilitiesInitial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Notes to Financial Statement for the year ended 31st March, 2020

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of Financial Assets and Financial Liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Ind AS Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes to Financial Statement for the year ended 31st March, 2020**4 Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or-
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

5 Cash and Cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

6 Revenue Recognition

The Company has applied five step model as set out in Ind AS 115 to recognise revenue in the Financial Statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- b. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

Notes to Financial Statement for the year ended 31st March, 2020

- c. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on the conditions in the contracts with customers.

The specific revenue recognition criteria are described below:

(I) Income from Property Development

The Company has determined that the existing terms of the contract with customers does not meet the criteria to recognise revenue over a period of time. Revenue is recognized at point in time with respect to contracts for sale of residential and commercial units as and when the control is passed on to the customers. The Company provides rebates to the customers. Rebates are adjusted against customer dues and the revenue to be recognized. To estimate the variable consideration for the expected future rebates the company uses the "most-likely amount" method or "expected value method".

(II) Contract Balances

Contract Assets

The Company is entitled to invoice customers for construction of residential and commercial properties based on achieving a series of construction-linked milestones. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the payment is due, a contract asset is recognized for the earned consideration that is conditional. Any receivable which represents the Company's right to the consideration that is unconditional is treated as a trade receivable.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

(III) Interest Income

For all debt instruments measured at amortised cost. Interest income is recorded using the effective interest rate (EIR).

(IV) Dividends

Revenue is recognised when the Company's right to receive the payment is established.

7 Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period.

Notes to Financial Statement for the year ended 31st March, 2020

Deferred Tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Presentation of Current and Deferred Tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in OCI, in which case, the current and deferred tax income/ expense are recognized in OCI. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

8 Borrowing Costs

Borrowing costs that are directly attributable to long term project development activities are inventorised / capitalized as part of project cost.

Borrowing costs are inventorised / capitalised as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation / capitalisation when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

9 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity share holders to by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and consolidation of equity shares. For the purpose of calculating diluted earnings per share, the net profit or loss for the year and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity share holders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2020

	As at 31-March-20 ₹ in Lakhs	As at 31-March-19 ₹ in Lakhs
2 Non - Current Tax Assets		
Advance Income Tax (Net of Provision)	107.50	110.75
Total	107.50	110.75
3 Cash and Cash Equivalents		
Balances with Banks	1.03	0.96
Total	1.03	0.96
4 Equity Share Capital		
A) Authorised Share Capital		
Equity Shares of ₹ 10 each		
Numbers		
Balance at the beginning of the year	1,10,00,000	1,10,00,000
Increase/(Decrease) during the year	-	-
Balance at the end of the year	1,10,00,000	1,10,00,000
Amount		
Balance at the beginning of the year	1,100.00	1,100.00
Increase/(Decrease) during the year	-	-
Balance at the end of the year	1,100.00	1,100.00
B) Issued Equity Capital		
Equity Shares of ₹ 10 each issued, subscribed and fully paid up		
Numbers		
Balance at the beginning of the year	1,00,00,000	1,00,00,000
Increase/(Decrease) during the year	-	-
Balance at the end of the year	1,00,00,000	1,00,00,000
Amount		
Balance at the beginning of the year	1,000.00	1,000.00
Increase/(Decrease) during the year	-	-
Balance at the end of the year	1,000.00	1,000.00

Notes to Financial Statement for the year ended 31st March, 2020

	As at 31-March-20 ₹ in Lakhs	As at 31-March-19 ₹ in Lakhs
C) Terms/ rights attached to Equity Shares		
The company has only class of equity shares having par value of ₹ 10 per share.		
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, 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.		
D) Shares held by Holding Company		
Macrotech Private Limited, the Holding Company		
Numbers	74,24,670	-
Amount	742.47	-
Arihant Premises Private Limited, the Holding Company (Merged with Macrotech Developers Ltd. W.e.f. 19-March-20)		
Numbers	-	74,24,670
Amount	-	742.47
E) Details of Shareholders holding more than 5% shares in the Company		
Macrotech Private Limited, the Holding Company		
Numbers	74,24,670	-
% of Holding	74.25%	-
Arihant Premises Private Limited, the Holding Company (Merged with Macrotech Developers Ltd. W.e.f. 19-March-20)		
Numbers	-	74,24,670
Amount	-	74.25%
F) There are no shares issued for consideration other than cash during the period of five years.		
5 Retained Earnings		
Balance at the beginning of the year	(1,317.50)	(1,294.24)
Decrease during the year	(13.55)	(23.26)
Balance at the end of the year	(1,331.05)	(1,317.50)

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2020

	As at 31-March-20 ₹ in Lakhs	As at 31-March-19 ₹ in Lakhs
6 Other Reserves		
Statutory Reserve		
(As per Section 45-IC of Reserve Bank of India Act, 1934)		
Balance at the beginning of the year	-	15.62
Increase/(Decrease) during the year	-	(15.62)
Balance at the end of the year	-	-
7 Current Borrowings		
Unsecured :		
Loans/ Inter Corporate Deposits from Related Parties (Refer Note 19)*	449.43	407.78
Total	449.43	407.78
* Interest Free, Repayable on demand.		
8 Current Trade Payables		
Due to Micro and Small Enterprises	-	-
Due to Others	0.46	0.65
Total	0.46	0.65
Note: Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by the auditor.		
9 Other Current Financial Liabilities		
Payable to Related Party (Refer Note 19)	0.40	30.79
Total	0.40	30.79
10 Other Current Liabilities		
Duties and Taxes	0.10	0.80
Total	0.10	0.80
	For the Year ended 31-March-20 ₹ in Lakhs	For the Year ended 31-March-19 ₹ in Lakhs
11 Other Income		
Contingent Provisions against Standard Assets	-	0.89
Sundry Balances / Excess Provision Written Back (Net)	0.16	0.75
Interest Income on Income Tax Refund	0.23	-
Total	0.39	1.64

Notes to Financial Statement for the year ended 31st March, 2020

	For the Year ended 31-March-20 ₹ in Lakhs	For the Year ended 31-March-19 ₹ in Lakhs
12 Employee Benefits Expense		
Salaries and Wages*	3.55	6.06
Total	3.55	6.06
*Salaries and Wages of ₹ 1.75 Lakhs (31-March-19 ₹ 6.06 Lakhs) reimbursable to Holding Company Macrotech Developers Ltd.		
13 Finance Costs		
Interest Expense on Borrowings	-	15.18
Others	-	0.02
Total	-	15.20
14 Other Expenses		
Rates and Taxes	4.46	6.02
Printing and Stationery	0.20	0.43
Postage / Telephone / Internet	0.07	0.22
Legal and Professional	4.08	8.86
Payment to Auditors as:		
Audit Fees	0.50	0.50
Advertising Expenses	0.87	1.44
Sundry Balance Written off	-	4.37
Miscellaneous Expenses	0.21	0.19
Total	10.39	22.03
	For the Year ended 31-March-20 ₹ in Lakhs	For the Year ended 31-March-19 ₹ in Lakhs
15 Tax Expense:		
a. The major components of Income Tax Expense are as follows		
(i) Income Tax recognized in the Statement of Profit and Loss		
Current Income Tax (Expense)/ Benefit:		
Adjustments in respect of current Income Tax of previous year	-	(2.77)
Total	-	(2.77)
Income Tax Expense reported in the Statement of Profit or Loss	-	(2.77)

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2020

	For the Year ended 31-March-20 ₹ in Lakhs	For the Year ended 31-March-19 ₹ in Lakhs
b. Reconciliation of tax expense and the accounting profit multiplied by India's tax rates :		
Accounting Loss before Tax	(13.55)	(41.65)
Income tax expense calculated at corporate tax rate		
Tax effect of adjustment to reconcile expected income tax expense to reported	3.41	14.41
Income Tax expense:		
Non-deductible expenses for tax purposes:		
Permanent differences	(3.41)	(14.41)
Adjustments in respect of current Income Tax of previous year	-	(2.77)
Total	-	(2.77)
c. The major components of Deferred Tax (Liabilities)/Assets arising on account of temporary differences are as follows:		
Deferred Tax relates to the following:	Balance Sheet	
	31-March-20 ₹ in Lakhs	31-March-19 ₹ in Lakhs
MAT Credit	10.81	10.81
Net Deferred Tax Assets	10.81	10.81
d. Reconciliation of Deferred Tax		
	Balance Sheet	
	31-March-20 ₹ in Lakhs	31-March-19 ₹ in Lakhs
Opening Balance	10.81	10.81
Closing Balance	10.81	10.81

Notes to Financial Statement for the year ended 31st March, 2020

16 Category wise classification of Financial Instruments

	As at 31-March-20 ₹ in Lakhs	As at 31-March-19 ₹ in Lakhs
Financial Assets carried at Amortised Cost		
Cash and Cash Equivalents	1.03	0.96
	1.03	0.96
Financial Liabilities carried at Amortised Cost		
Borrowings	449.43	407.78
Trade Payables	0.46	0.65
Other Financial Liabilities	0.40	30.79
	450.29	439.22

17 Significant Accounting Judgements, Estimates and Assumptions

Judgements, Estimates and Assumptions

The Company makes certain judgement, estimates and assumptions regarding the future. Actual experience may differ from these judgements, estimates and assumptions. The estimates and assumptions that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(i) Income Taxes

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Fair Value Measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

(iii) Estimation uncertainty due to pandemic on coronavirus (COVID-19)

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which was further extended in phases till May 31, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that no there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2020

18 Commitments and contingencies

A. Contingent liabilities

Claims against the company not acknowledged as debts	As at 31-March-20 ₹ in lakhs	As at 31-March-19 ₹ in lakhs
Disputed Taxation Matters	10.33	10.33
Disputed Matters with SEBI*	253.73	-

The company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

* By Order dated 23-December-19, the Adjudicating Officer of SEBI has confirmed their Show-Cause Notice dated 15-December-09 imposing penalty of ₹ 253.73 Lakhs for alleged violation of certain provisions of SEBI Regulations during the financial year 2003-04 when the Company was under the control of earlier promoters. The Company has filed an appeal before the Securities Appellate Tribunal challenging the Order. The Company has assessed that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and hence, no provision is considered necessary.

19 Related party transactions

Information on Related Party Transactions as required by IND-AS 24 'Related Party Disclosure'.

A. List of related parties:

(As identified by the management), unless otherwise stated

I Person having Control or joint control or significant influence

- 1 Mangal Prabhat Lodha (MPL) Person in Control
- 2 Abhishek Lodha Son

II Close family members of person having Control

- Manjula Lodha Wife
Vinti Lodha Son's wife

III Ultimate Holding Company

Sambhavnath Infrabuild and Farms Pvt. Ltd.

IV Holding Company

- 1 Macrotech Developers Ltd. (Holding Company of APPL)
- 2 Arihant Premises Pvt. Ltd. (Merged with Macrotech Developers Ltd. w.e.f. 19-March-20)

V Subsidiaries of Holding Company (with whom the Company had transactions)

- 1 Cowtown Software Design Pvt. Ltd.
- 2 Palava Dwellers Pvt. Ltd.

VII Key Management Personnel

- 1 Nilesh Rawat - Managing Director
- 2 Sanjyot Rangnekar- Director
- 3 Abhijeet Shinde- Company Secretary (From 1-November-2018)

Notes to Financial Statement for the year ended 31st March, 2020

- 4 Uma Hiremath- Company Secretary (from 21-May-2018 to 01-November-2018)
- 5 Purnima Pavle- Chief Financial Officer (upto 8-May-2019)
- 6 Mahesh Bhatt- Company Secretary (upto 21-May-2018)
- 7 Mayank Jain- Chief Financial Officer (From 8-August-2019 to 21-February-2020)
- 8 Pravin Kumar Kabra- Chief Financial Officer (From 8-June-2020)

B. Outstanding Balances with related parties and Transactions during the year ended are as follows:**(i) Outstanding Balances:**

₹ in Lakhs

Sr. No.	Nature of Transactions	As on	Holding Company	Fellow Subsidiaries
1	Loans taken	31/March/20	-	449.43
		31/March/19	-	407.78
2	Other Financial Liabilities	31/March/20	0.40	-
		31/March/19	30.79	-

(ii) Disclosure in respect of transactions with parties:

₹ in Lakhs

Sr No	Nature of Transactions	Particulars	Relationship	For the Year ended	
				31-March-20	31-March-19
1	Interest Expense	Cowtown Software Design Pvt. Ltd.	Subsidiary of Holding Company	-	15.20
2	Loans/ Advances Taken/(returned)(Net)	Macrotech Developers Ltd.	Holding Company	-	(437.53)
		Palava Dwellers Pvt. Ltd.	Subsidiary of Holding Company	41.65	407.78
3	Salaries and Wages	Macrotech Developers Ltd.	Holding Company	2.14	4.16

C. Terms and conditions of outstanding balances with related parties**a) Receivables from Related parties**

The trade receivables from related parties arise mainly from sale transactions and services rendered and are received as per agreed terms. The receivables are unsecured in nature. No provisions are held against receivables from related parties.

b) Payable to related parties

The payables to related parties arise mainly from purchase transactions and services received and are paid as per agreed terms.

c) Loans to related party

The loans to related parties are unsecured and receivable on demand bearing effective interest rate.

20 Segment information

For management purposes, the Company is into one reportable segment ie Real Estate development.

Notes to Financial Statement for the year ended 31st March, 2020

For management purposes, the Company has only one reportable segments namely, Development of real estate property. The Board of Directors of the Company acts as the Chief Operating Decision Maker (“CODM”). The CODM evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators.

21 Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

22 Financial risk management objectives and policies

The Company’s principal financial liabilities comprise mainly of trade and other financials liabilities. The main purpose of these financial liabilities is to finance the Company’s operations. The Company’s principal financial assets include cash and cash equivalents.

The Company is exposed through its operations to the following financial risks:

- Market risk
- Credit risk, and
- Liquidity risk.

The Company has evolved a risk mitigation framework to identify, assess and mitigate financial risk in order to minimize potential adverse effects on the company’s financial performance. There have been no substantive changes in the company’s exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated herein.”

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities.

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company’s customer base, including the default risk of the industry and country, in which customers operate, has less influence on the credit risk.

Credit risk from balances with banks and financial institutions is managed by Company’s treasury in accordance with the Company’s policy. The company limits its exposure to credit risk by only placing balances with local banks and international banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

Notes to Financial Statement for the year ended 31st March, 2020

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company is in the process of making necessary arrangement and expects to meet its financial commitments in a timely and cost-effective manner.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 1 years	1 to 5 years	> 5 years	Total
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
As at 31-March-20				
Borrowings	449.43	-	-	449.43
Trade Payables	0.46	-	-	0.46
Other Financial Liabilities	0.40	-	-	0.40
	450.29	-	-	450.29
As at 31-March-19				
Borrowings	407.78	-	-	407.78
Trade Payables	0.65	-	-	0.65
Other Financial Liabilities	30.79	-	-	30.79
	439.22	-	-	439.22

23 Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to Shareholders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

24 Basic and Diluted Earnings Per Share:

		For the Year ended 31-March-20	For the Year ended 31-March-19
(a) Net Loss for the year	₹ in Lakhs	(13.55)	(38.88)
(b) Weighted Average number of Equity Shares outstanding during the year		1,00,00,000	1,00,00,000
(c) Face Value of Equity Shares	(₹)	10	10
(d) Basic and Diluted Earnings Per Share	(₹)	(0.14)	(0.39)

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2020

25 Details of dues to Micro, Small and Medium Enterprises :

There are no dues outstanding to Micro, Small and Medium Enterprises as at the Balance Sheet date.

- 26 The Company is primarily in the business of real estate construction and development. During the year ended 31-March-2020, the Company has used cash in operations amounting to ₹ 41.58 lakhs. As at 31-March-2020, the Company has negative net worth of ₹ 331.05 lakhs. The Company does not have any project under progress at present. These conditions may indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern.

The Company has secured continued financial support from its parent company to meet its day to day cash requirements and settle liability, if any arises. Further, the Company is working on a revised strategy and is evaluating alternate business options. On that basis and the financial support letter, the management of the Company believes that risk of material uncertainty has been significantly reduced and the Company shall be able to continue for a foreseeable future. Accordingly, these financial statements have been prepared on the basis of going concern.

The Company is evaluating Business Options which will ensure utilization of the unutilised Minimum Alternate Tax Credit of ₹ 10.81 Lakhs as on 31-March-20.

- 27 The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary, to make them comparable with current years classification.

As per our attached report of even date

For and on behalf of the Board of Directors of
Roselabs Finance Limited

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Bhavik L. Shah
Partner
Membership No. 122071

Sanjyot Rangnekar
(Chairperson)
DIN: 07128992

Nilesh Rawat
(Managing Director)
DIN: 06705140

Place : Mumbai
Date : 8-June-2020

Abhijeet Shinde
(Company Secretary)
Membership No: A33077

Pravin Kumar Kabra
(Chief Financial Officer)

if undelivered, please return to:
ROSELLABS FINANCE LIMITED
10th Floor, Lodha Excelus,
N.M.Joshi Marg, Mahalaxmi,
Mumbai- 400011, India