

**REPORT OF THE INDEPENDENT DIRECTORS OF ROSELABS FINANCE LIMITED ('THE COMPANY') RECOMMENDING THE SCHEME OF MERGER BY ABSORPTION OF ROSELABS FINANCE LIMITED ('FIRST TRANSFEROR COMPANY'), NATIONAL STANDARD (INDIA) LIMITED ('SECOND TRANSFEROR COMPANY'), SANATHNAGAR ENTERPRISES LIMITED ('THIRD TRANSFEROR COMPANY') WITH MACROTECH DEVELOPERS LIMITED ('TRANSFEREE COMPANY') AND THEIR RESPECTIVE SHAREHOLDERS. ('SCHEME')**

**Members Present:**

Mr. Prakash Vaghela - Chairman  
Mr. Mayank Padiya - Member

## 1. Background

Meeting of the Committee of Independent Directors of Roselabs Finance Limited was held on Tuesday, July 30, 2024, to consider and recommend the proposed Scheme of Merger by Absorption of Roselabs Finance Limited ('First Transferor Company' or 'the Company'), National Standard (India) Limited ('Second Transferor Company'), Sanathnagar Enterprises Limited ('Third Transferor Company') with Macrotech Developers Limited ('Transferee Company') and their respective shareholders ('Scheme') under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder.

The Equity shares of the Company are listed on BSE Limited ("BSE") and accordingly the Company will be filing the Scheme along with necessary information/documents with BSE Limited.

This report of the ID Committee is made in order to comply with the requirements of SEBI Master Circular ref. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and other circulars, if any, issued by SEBI, applicable to scheme of mergers and amendments thereto ("SEBI Circulars"), where the ID committee after taking into consideration the Draft Scheme of Amalgamation is required inter-alia to confirm that the scheme is not detrimental to the shareholders of the Company.

The following documents were placed before the Committee:

- Draft of the Scheme of Merger by Absorption
- Valuation Report dated July 30, 2024, Ms. Drushti Desai, Registered Valuer and partner at M/s. Bansi S. Mehta Registered Valuers, IBBI Registration No IBBI/RV/06/2019/10666 ("Valuers");
- Fairness Opinion dated July 30, 2024 with regard to the above mentioned Valuation Report by Fedex Securities Private Limited, Category I SEBI Registered Merchant Banker
- Statutory Auditor's Certificate confirming the compliance of the accounting treatment etc. as specified in Para (A)(5) of Part I of SEBI Master Circular.

**The objects/ rationale of the proposed Scheme is as under:**

- a. Streamlining, rationalization and simplification of the group holding structure by way of reduction in the number of entities, resulting in ease of management for the Transferee Company.
- b. Reduction in overheads including administrative, managerial and other expenditure, and optimal utilization of resources by elimination of duplication of activities and related costs.
- c. Reduction in the multiplicity of legal and regulatory compliances at present carried out separately by the Transferor Companies and the Transferee Company and promote organizational efficiencies with the achievement of greater economies of scale.
- d. Free up management bandwidth, especially of senior management, towards more productive and value generating activities.
- e. As the Company neither has any ongoing projects nor is any further business opportunity envisaged, the proposed Scheme of merger with the Transferee Company would be in the best interest of the Company and their shareholders.



# ROSELABS FINANCE LIMITED

- f. Public shareholders of the Company will receive shares in the Transferee Company which is one of the biggest real estate developers in India
2. The Appointed date of the Scheme is July 1, 2024.
3. The Independent Directors reviewed the Valuation Report and noted the recommendations made therein. The Valuation report states the Share Exchange Ratio to be:

**For equity shareholders of Roselabs Finance Limited (First Transferor Company)**

*"7 (Seven) fully paid up equity shares of Rs. 10/- each of Transferee Company for every 1000 (One Thousand) fully paid up equity share of Rs.10/- each held in First Transferor Company"*

**For equity shareholders of National Standard (India) Limited (Second Transferor Company)**

*"92 (NinetyTwo) fully paid up equity shares of Rs. 10/- each of Transferee Company for every 1,000 (One Thousand) fully paid up equity share of Rs.10/- each held in Second Transferor Company"*

**For equity shareholders of Sanathnagar Enterprises Limited (Third Transferor Company)**

*"7 (Seven) fully paid up equity shares of Rs. 10/- each of Transferee Company for every 1,000 (One Thousand) fully paid up equity share of Rs.10/- each held in Third Transferor Company"*

4. Further, the Fairness Opinion confirms that the Share Exchange Ratio in the Valuation Report is fair to the shareholders of the Company.
5. Further, MSKA & Associates, Chartered Accountants, Statutory Auditors of the Company have certified and confirmed that the accounting treatment as specified in the Scheme is in accordance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013.
6. Impact of the Scheme on shareholders

The Transferee Company shall issue equity shares to the shareholders of the Company based on the Share Exchange Ratio as mentioned above.

The ID Committee is of the opinion that the Scheme is not detrimental to the interests of the shareholders of the Company.

**7. Recommendation of the Committee of Independent Directors**

In light of the aforesaid, the ID Committee, after due deliberation and after taking into consideration the impact of the Scheme on the shareholders of the Company, recommends the draft Scheme to the Board of Directors of the Company for approval.

By order of the Independent Directors  
For and on Behalf of  
Roselabs Finance Limited

*Prakash Vaghela*



Chairman of Independent Directors' meeting  
Prakash Vaghela  
DIN: 07768595

Place: Mumbai  
Date: August 02, 2024