

ROSELABS FINANCE LIMITED

**16th ANNUAL REPORT
2009-10**

ROSELABS FINANCE LIMITED

BOARD OF DIRECTORS Shri Deependra Gupta Chairman (w.e.f. 25.10.2008)
 Shri Samyak Veera Director
 Shri Sagar Gawde Director

AUDITORS M/s. Mehta Kothari & Associates,
 Chartered Accountants
 Mumbai

BANKERS Axis Bank Bank of Baroda
 Nariman Point New Cloth Market
 Mumbai Ahmedabad

 ICICI Bank Ltd HDFC Bank Ltd.
 Kandivali (East) Churchgate
 Mumbai Mumbai

REGISTERED OFFICE 111/952, Nirmal Apartment, Sola Road,
 Naranpura, Ahmedabad- 380 064

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
C- 13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup
Mumbai- 400 078
Tel No: 022- 25963838
Email Id: isrl@intimespectrum.com

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NOTICE

NOTICE is hereby given that the **16TH ANNUAL GENERAL MEETING** of the Members of **ROSELABS FINANCE LIMITED** will be held on Monday, the 27th day of September, 2010 at 11.30 a.m. at the Registered Office of the Company at 111/952, Nirmal Apartment, Sola Road, Naranpura, Ahmedabad – 380064., to transact the following business as:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2010 and Balance Sheet as at that date together with the report of the Board of Directors and Auditors thereon.
2. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Sagar Gawde who was appointed as a Director of the Company by the Board of Directors with effect from 7th December, 2009 under section 260 of the Companies Act, 1956 and who holds office upto the date of the Annual General Meeting, being eligible for reappointment and in respect of whom the Company has received a notice in writing together with requisite deposit under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director be and is hereby appointed as the Director of the Company, liable to retire by rotation."

Registered Office :
111/952, Nirmal Apartment,
Sola Road, Naranpura,
Ahmedabad - 380064

**By Order of the Board
For Roselabs Finance Ltd.**

**Deependra Gupta
Chairman**

Dated : 01st September, 2010.

NOTES :

- a) The relative Explanatory Statements, pursuant to Section 173 of the Companies Act 1956 in respect of the special business are annexed hereto. The relevant details of the directors seeking appointment/reappointment as required by Clause 49 of Listing Agreement entered into with the Stock Exchange are also annexed.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- c) The Register of members and the Share Transfer Books will remain closed from 20th September, 2010 to 27th September, 2010 (both days inclusive)
- d) Members holding shares of the Company under more than one ledger folio are requested to send to the Registrar & Transfer Agents of the Company, details of all such folios together with the Share Certificates for consolidating the Folios into one. The Share Certificates would be returned to the Shareholders after making the requisite endorsement thereon.
- e) All Correspondences relating to change of Address and shares of the Company may please be addressed to the Companies Registrar and Share Transfer Agents M/s Linkintime India Private Limited at C-13, Pannalal Silk Mills Compound, L.B.S Marg, Mumbai 400 078.
- f) Members are requested to bring their copy of Annual Report to the Meeting as copies of report would not be distributed at the meeting.

- g) Members seeking further information about the accounts and/ operations of the Company, are requested to send their queries to the Company at least TEN days before the date of the Meeting.

ANNEXURE FORMING PART OF ANNUAL GENERAL MEETING NOTICE

As required by section 173 of the Companies Act, 1956 (hereinafter referred to as "The Act") the following explanatory statement set out the material facts relating to the business mentioned in Item No. 1 of the accompanying notice dated 01st September, 2010.

ITEM NO. 1

Mr. Sagar Gawde was appointed as a Director by the Board with effect from 7th December, 2009. In terms of Section 260 the Act, Mr. Sagar Gawde holds the office till the date of this Annual General Meeting, but is eligible for reappointment. Notice has been received from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Sagar Gawde for the office of the Director of the Company under Section 257 of the Act.

The Board considers it desirable that the Company should continue to avail itself of the services of Mr. Sagar Gawde and accordingly commends the resolution at Item No. 1 for approval of the members.

No other Director other than Mr. Sagar Gawde is, in any way, concerned or interested in the resolution.

Details of the Additional Director/Directors seeking appointment at the forthcoming Annual General Meeting of the Company (Pursuant to provisions of Clause 49 of the Listing Agreement with the Stock Exchange):

Name of the Director	Mr. Sagar Gawde
Date of Birth	20 th October, 1984
Date of initial appointment	7 th December, 2009
Qualification	B.Com
Expertise in specific functional area	Accounts and Taxation
List of Indian Public Limited Companies in which holds Directorship	1. Sanathnagar Enterprises Limited 2. National Standard (India) Limited
Chairmanship/ membership of Committees of Director of other Companies	N.A.
No. of shares held in the Company as on 31.03.09	Nil

None of the Directors of the Company proposed to be appointed at the ensuing Annual General Meeting are related to each other.

Registered Office :
111/952, Nirmal Apartment,
Sola Road, Naranpura,
Ahmedabad - 380064

**By Order of the Board
For Roselabs Finance Ltd.**

**Deependra Gupta
Chairman**

Dated : 01.09.2010

DIRECTORS' REPORT

Dear Shareholders,

The Directors are pleased to present the 16th Annual Report on the business and operations of the Company together with the statement of account for the year ended 31st March 2010.

1. FINANCIAL RESULTS

	(Rs. In Lacs)	
	2009-2010	2008-2009
Total Income	0.32	(26.79)
Total Expenditure	40.11	20.69
Profit/(Loss) before Depreciation and Taxation	(39.78)	(47.48)
Less		
1. Interest	NIL	NIL
2. Depreciation	0.71	0.14
Profit/Loss before Income Tax	(40.49)	(47.62)
Provision for Income Tax & FBT	Nil	0.34
Profit/(Loss) for Appropriation	(40.49)	(47.96)
Profit/(Loss) Brought Forward	(175.10)	(127.14)
Profit/(Loss) transferred to Balance sheet	(215.59)	(175.10)

02. Business Operations

During the year under review the turnover of the Company was Rs.0.32 Lakhs. Your company made net loss of Rs.40.49 Lakhs during the year under review. Your directors are hopeful to achieve better result during the current financial year.

03. Dividend

In View of the need for strengthening the financial base of the company, your Directors have decided not to declare any dividend for the year 2009-10.

04. Directors

Mr. Dinkar Rai has resigned from the post of Director w.e.f 02nd day of April, 2009.

Mr. Ramnandanam Pandey has resigned from the post of Director w.e.f 03rd day of August, 2009

Mr. Sagar Gawde has been appointed as a Director of the company w.e.f. 07th day of December, 2009

Mr. Anurag Singhvi has resigned from the post of Director w.e.f 08th day of December, 2009.

05. Auditors

M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai has been appointed as the statutory auditors of the company.

06. Particulars of Employees

The information required under the provision of section 217(2A) of the Companies Act, 1956 read with companies (Particulars of Employees) Rules, 1975 is not annexed hereto since none of the employee of the company was in receipt of total remuneration of Rs. 24,00,000/- p.a. of Rs. 2,00,000/-p.m. during the financial year under review.

07. Public Deposits

Your Company has neither invited nor accepted or renewed any deposit from the public during the financial year under review.

a. Disclosures of particulars as per Companies (Disclosure of Particulars in the Report of Board of directors) Rules, 1988

The particulars are given in Annexure I to this report.

b. Corporate Governance

A detailed report on corporate governance pursuant to the requirements of clause 49 of the listing agreement forms part of the Annual Report. A certificate confirming compliance of conditions of corporate governance as stipulated under the aforesaid clause 49 is annexed to the Corporate Governance Report.

c. Management Discussion and Analysis Report

In accordance with the provision of Listing Agreement, the Management Discussion and Analysis Report is presented in the separate section forming part of the Annual Report.

d. Directors Responsibility Statement

Pursuant to section 217 (2AA) of Companies Act, 1956, your Directors hereby confirms that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgment 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 profit of the Company for that period;
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for Safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts for the financial year ended 31st March 2010 on 'a going concern' basis.

12. Audit Committee

The company has constituted an Audit Committee pursuant to the provision of the section 292A of the Companies Act, 1956 and as required under clause 49 of Listing Agreement, details of which are given separately in the Report of Corporate Governance.

13. Shifting of Registered Office

The Company shifted its Registered Office from 303, Shilp II, Near Sales India, Income Tax, Ashram Road, Ahmedabad- 380009 to 111/952, Nirmal Apt., Sola Road, Naranpura, Ahmedabad, Gujarat – 380064, India w.e.f the 18th day of May, 2009 vide the resolution passed in the meeting of the Board of Directors held on 18th day of May, 2009

14. The relationship with the employees continued to be cordial throughout the year.

Your Directors express their gratitude to the continuous support of the Financial Institutions, Banks, Central and State Governments, Office of the Industries Commissioner, valued customers and devoted employees for their continuous contribution to the growth and progress of Company.

The Directors also take this opportunity to thank the shareholders for the confidence reposed in the management.

Registered Office :
111/952, Nirmal Apartment,
Sola Road, Naranpura,
Ahmedabad - 380064

Dated : 24.07.2009

**By Order of the Board
For Roselabs Finance Ltd.**

**Deependra Gupta
Chairman**

Annexure I to the Directors' Report

Disclosure of particulars as per companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A. Conservation of Energy

Company operations require electrical energy for power supply to computer systems and lighting.

The Company has procured efficient electronic equipment and computer systems for conservation of energy.

B. Technology Absorption and Research & Development

Efforts in brief made towards technology absorption, adaption and innovation.

The company operates in the field of investment and trading in shares and securities. The company has made sincere efforts in absorbing the latest technology in this field through development of and acquisition of the necessary skills and technology and effective utilization of the same.

Benefits derived as a result of the above efforts.

Growth of business and productivity improvements through use of latest hardware equipments, software and services.

C. Foreign Exchange Earnings and Outgo

The Company has not entered into any Foreign Currency Transactions during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to clause 49 of Listing Agreement, a Management Discussion & Analysis Report for the period ended 31st March 2010 is given below:-

INDUSTRY STRUCTURE AND DEVELOPMENTS

Roselabs Finance Limited is a Non Banking Finance Company, registered with Reserve Bank of India. The company carries on the business of financing activities subject to the norms prescribed by Reserve Bank of India. Your Company has invested its funds in equity shares of the Companies both listed and unlisted companies.

There is general uncertainty and lack of confidence in the Financial Market across the country. Your company has made a loss of Rs. 40,49,100 /- for the financial year ended as at 31st March 2010 and loss of Rs. 47,96,060 in the immediately preceding financial year.

OUTLOOK ON OPPORTUNITIES, THREATS, RISK AND CONCERNS

As far as the future outlook is concerned the company is expected to increase the scope of the business in the future, considering the fact that the financial market picks up. As far as threats and risk is concerned, the factors like Government set up, inflation levels, interest rates and volatility in secondary market are crucial.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is mainly engaged in the business of NBFC. There are no separate reportable segments as defined by Accounting Standard – 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your company is committed to maintain high standards of internal controls designed to provide accuracy of information, efficiency of operations and security of assets. The company has adequate internal controls which commensurate with the size and nature of its operations to ensure orderly and efficient conduct of business.

These controls ensure the safeguarding of assets, prevention and detection of fraud and error, the accuracy and completeness of the accounting records, timely preparation of reliable financial information and adherence to company's policies, procedures and legal obligations. The Audit Committee of the Board of Directors meets periodically to review the performance.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company has incurred loss for the financial year 2009- 2010 to the tune of Rs.40,49,100 /- , the operating cost being Rs. 18,90,384/-

MATERIAL DEVELOPMENTS ON HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT.

There has been no material development on the Human Resources/ Industrial Relations Front during the year.

CAUTIONARY STATEMENT

Management Discussion and Analysis Report is based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the company. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include global and Indian financial market conditions, changes in the Government Regulation, Tax regimes, inflation levels, interest rate and such other factors affecting country's secondary market.

The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis of any subsequent developments, information or events.

Place : Ahmedabad
Dated : 06th July, 2010

For and on behalf of Board of Directors
Sd/-
(Deendra Gupta)
(Chairman)

REPORT ON CORPORATE GOVERNANCE

As required under Clause 49 of the Listing Agreement, a separate report on Corporate Governance for the financial year ended 31st March, 2010 along with the Certificate of the Auditors of the Company is given below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company conducts its affairs in a fair, transparent and professional manner. Your company has always followed fair business and corporate practices. The company believes that adherence of good corporate governance is a milestone for survival and long term growth.

2. BOARD OF DIRECTORS:

(I) Composition of Board:

As on 31st March, 2010, the Board comprised of three directors viz. Shri. Samyak Veera, Shri. Deependra Gupta, Shri Sagar Gawde.

Shri. Sagar Gawde was appointed with effect from 7th December, 2009 as Director.

None of the Directors on the Board is a member on more than Ten Committees and Chairman of more than Five Committees including Roselabs Finance Limited.

The composition of the Board as on 31st March, 2010, attendance at board meetings (BM) held during the financial year under review and last Annual General Meeting (AGM) and number of Directorship and Membership/Chairmanship in other Public Companies are given below:

Sr. No.	Name of the Director	Category	Attendance for F.Y. ended 31.03.2010		Other Directorships	No. of Committee position held in Other Companies	
			(BMs)	(AGM)		(Chairman)	(Member)
5	Shri. Samyak Veera	NI-NE	13	1	N.A.	N.A.	N.A.
10.	Shri. Deependra Gupta	I-NE	13	1	N.A.	N.A.	N.A.
3	Shri Sagar Gawde	I-NE	4	0	N.A.	N.A.	N.A.

NE: Non Executive, E: Executive, NI: Non Independent, IND: Independent

During the financial year under review Thirteen Board Meetings were held, on 2nd April 2009, 30th April 2009, 02nd May 2009, 18th May 2009, 30th June 2009, 8th July 2009, 24th July 2009, 3rd August 2009, 26th October 2009, 7th December 2009, 8th December 2009, 25th January 2010, 15th March 2010 and Annual General Meeting was held on 04th September 2009.

3. AUDIT COMMITTEE:

(I) COMPOSITION OF COMMITTEE:

As a measure of good corporate governance and to provide assistance to the Board of Directors in overseeing the Boards responsibilities your company had constituted an Audit Committee.

As on 31st March, 2010, the Committee members comprised of 3 directors viz. Shri Deependra Gupta, Shri Sagar Gawde and Shri Samyak Veera. Shri Sagar Gawde was the chairman of the committee.

The terms of reference/ powers of the audit committee mandated by your board of directors which is also in line with the statutory and regulatory requirement are:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of External auditors, fixation of audit fees and also approval for payment of any other services.
- Reviewing with management the annual financial statements before submission to the board.

- d. Reviewing the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit function.
- f. Reviewing the findings of any internal investigations into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board..
- g. Discussion with External Auditors before the audit commences nature and scope of audit as well as post- audit discussions to ascertain any area of concern.
- h. Reviewing the company's financial and risk management policies.

(II) MEETINGS AND ATTENDANCE DURING THE YEAR:

Four Meetings of Audit Committee were held during financial year 2009-2010, and all members were present at the meetings.

4. REMUNERATION COMMITTEE:

Company has not constituted remuneration committee, Board of Directors of the Company decide remuneration policy of the Company.

5. SHAREHOLDERS/INVESTOR'S GRIEVANCE COMMITTEE:

Your Company had constituted Shareholders/Investor's Grievance Committee as required under clause 49 of the Listing Agreement.

The Committee consists three members viz Shri Deependra Gupta, Shri Sagar Gawde and Shri Samyak Veera. Shri Deependra Gupta was the chairman of the committee.

The terms of reference / powers of the Shareholders / Investors Grievance Committee specified by the Board of Directors are as under:

To approve transfer, transmission, sub-division and issue of duplicate shares and redressal of investor complaints

The Company has not received any Complaints during the year from the shareholders.

Four Meetings of Shareholders / Investor's Grievance Committee were held during financial year 2009-2010, and all members were present at the Meeting.

6. GENERAL BODY MEETING:

DETAILS OF THE LAST THREE ANNUAL GENERAL MEETINGS:

Year	Location	Date	Day	Time	No. of Special Resolution
2006-2007	123/1, Saijpur, Gopalpur, Pirana Road, Piplej, Ahmedabad- 382405	29.09.2007	Saturday	11.30 A.M.	Nil
2007-2008	123/1, Saijpur Gopalpur , Pirana Road, Piplej, Ahmedabad-382405	30.09.2008	Tuesday	11.30A.M.	Nil
2008-2009	123/1, Saijpur Gopalpur , Pirana Road, Piplej, Ahmedabad-382405	04.09.2009	Friday	11.30A.M.	Nil

No postal ballot procedures were required for any of the resolutions passed by the Company at any of the general meetings.

7. DISCLOSURES:

- (I) As per the Auditor's Report for the financial year ended 31st March, 2010, the Company has not entered into any transaction of material nature with its Promoters, Directors, Relatives or Management that may have potential conflict with the interest of Company.
- (II) The company has complied with the requirements of statutory/ regulatory authorities on capital market and no penalties/strictures have been imposed on the Company by SEBI or Stock Exchanges during the last three financial years.

- (III) The Company has complied with all mandatory requirements under Clause 49 of the Listing Agreement.

8. GENERAL SHAREHOLDERS INFORMATION:

I. MEANS OF COMMUNICATION:

For the quarter ended 30th June, 2009

The quarterly Un-Audited Financial results were published in "The Financial Express" (English) and "Gandhinagar Samachar" (Gujarati)

For the quarter ended 30th September, 2009

The quarterly Un-Audited Financial results were published in "The Financial Express" (English) and "Western Times" (Gujarati)

For the quarter ended 31st December, 2009

The quarterly Un-Audited Financial results were published in "The Financial Express" (English) and "Western Times" (Gujarati)

For the quarter ended 31st March, 2010

The quarterly Un-Audited Financial results were published in "The Financial Express" (English) and "Western Times" (Gujarati)

For the financial year ended 31st March, 2010

The Annual Audited Financial results were published in "The Financial Express" (English) and "Western Times" (Gujarati)

II. 16TH ANNUAL GENERAL MEETING:

Date : 27th September, 2010
 Time : 11.30 A. M.
 Day : Monday
 Venue : 111/952, Nirmal Apartment,
 Sola Road, Naranpura
 Ahmedabad- 380 064

III. FINANCIAL CALENDAR : 2010-2011:

Results for Quarter: (Tentative and subject to change)

Annual General Meeting	: 27 th September, 2010
Ending on 30th June, 2010	: Last Week of July, 2010
Ending on 30th September, 2010	: Last Week of October, 2010
Ending on 31st December, 2010	: Last Week of January, 2011
Ending on 31st March, 2011	: Last Week of April, 2011

IV. DATE OF BOOK CLOSURE : 20th September, 2010 to 27th September, 2010
 (Both Days Inclusive)

V. LISTING ON STOCK EXCHANGES

- | | |
|---|--|
| (1) Ahmedabad Stock Exchange Ltd.
Kamdhenu Complex,
Opp: Sahjanand College, Panjarapole,
Ahmedabad- 380 015. | (2) Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001. |
|---|--|

VI. STOCK CODE:

Ahmedabad Stock Exchange: 549756, Bombay Stock Exchange Ltd.: 531324

VII. LISTING FEES:

The Company has paid the Annual Listing fees to each of the above Stock Exchanges for the financial year 2010-2011.

VIII. DEMAT INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN) IN NSDL AND CDSL FOR EQUITY SHARES:

INE475C01012.

IX. DEMATERIALISATION OF SECURITIES:

90.57% of the Company's Equity Share Capital is dematerialised as on 31st March, 2010, by the members of the Company through CDSL and NSDL.

X. MONTHWISE STOCK MARKET DATA (BSE) RELATING TO EQUITY SHARES OF THE COMPANY FOR THE PERIOD 1ST APRIL, 2009 TO 31ST MARCH, 2010.

PERIOD FROM April, 2009 TO March, 2010	PRICE PER SHARE	
	HIGH(RS)	LOW(Rs.)
April, 2009	6.77	5.33
May, 2009	7.71	6.13
June, 2009	10.27	7.87
July, 2009	9.49	5.63
August, 2009	6.12	5.05
September, 2009	10.00	6.42
October, 2009	8.30	6.42
November, 2009	9.20	6.92
December, 2009	8.70	7.10
January, 2010	9.09	6.87
February, 2010	8.78	6.18
March, 2010	8.37	6.59

XI. SHARE TRANSFER SYSTEM:

All the share transfers are processed by the Registrar and Transfer agent and are approved by the company within a period of one month from the date of receipt of the documents, provided all documents are valid and complete in all respects.

XII. REGISTRAR & TRANSFER AGENT

: Link Intime India Private Limited
C- 13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup
Mumbai- 400 078
Tel No: 022- 25963838
Email Id: isrl@intimespectrum.com

XIII. REGISTERED OFFICE AND ADDRESS FOR COMMUNICATION

: 111/952, Nirmal Apartment,
Sola Road, Naranpura
Ahmedabad- 380 064

XV. SHAREHOLING PATTERN AS ON: 31ST MARCH, 2010

Sr. No.	CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
1.	Indian Public	1894398	18.94
2.	NRIs/OCB	NIL	NIL
3.	Mutual Funds and UTI	NIL	NIL
4.	Banks, Financial Institutions, Insurance Companies, (Central Institutions)	NIL	NIL
5.	Other Bodies Corporate	2339975	23.40
6.	Corporate Bodies (Promoter Co)	5764181	57.64
7.	Clearing Member	1446	0.01
	TOTAL	10000000	100.00

XV. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2010

Shareholding of Shares		SHAREHOLDERS NO. OF	% AGE TOTAL	SHARES ALLOTTED	% AGE OF TOTAL
FROM	TO				
1	- 5000	779	65.7384	231007	2.31
5001	- 10000	223	18.8186	189262	1.89
10001	- 20000	70	5.9072	107200	1.07
20001	- 30000	22	1.8565	57884	0.58
30001	- 40000	14	1.1814	50847	0.51
40001	- 50000	20	1.6878	94503	0.95
50001	- 100000	15	1.2658	95115	0.95
100001-	*****	42	3.5443	9174182	91.74
Total		1185	100.00	10000000	100.00

XVI. CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT FROM BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

To
The Members of
ROSELABS FINANCE LIMITED,
Ahmedabad.

I, Deependra Gupta, Chairman of the company, hereby certify that all the Board Members and senior management personnel of the company have affirmed their compliance with the code of conduct in accordance with clause – 49 (I)(D) of the Listing Agreement entered into with the Stock Exchange.

As required by Clause 49 of the Listing Agreement, Certificate of Compliance with the corporate governance requirements by the company issued by the auditors is given as an annexure to the director's report.

The above report was adopted by the Board at their meeting held on 01st September, 2010.

For and on behalf of Board of Directors
Sd/-
(Deependra Gupta)
(Chairman)

Place : Ahmedabad
Dated : 06th July, 2010

CERTIFICATE

To
The Members of
Roselabs Finance Limited,
Ahmedabad.

We have read the report of directors on corporate governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by Roselabs Finance Limited for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement executed by company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for issuing the compliance of the conditions of the corporate governance.

It was neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the Listing Agreement.

We state that not investor complaints are pending for a period exceeding 30 days against the company as per the records maintained by the share transfer and investors grievances committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or the effectiveness with which the management has conducted the affairs of the company.

For Mehta Kothari & Associates,
Chartered Accountants
Sd/-
(PRADIP C. MEHTA)
Partner

Place : Ahmedabad
Date : 06th July, 2010

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, Deependra Gupta, Chairman and Sagar Gawde, Chairman of the Audit Committee of Roselabs Finance Limited, hereby certify the Board that:

- (a) We have reviewed the financial statements and the cash flow statements for the year and to the best of our knowledge and belief;
 - (I) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - (II) These statements together present a true and fair view of the company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief no transactions entered in to by Roselabs Finance Limited during the year which are fraudulent, illegal or volatile of the companies' code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in Roselabs Finance Limited and we have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting. We have disclosed to the auditors and audit committee, the efficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or proposed to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit committee:
 - (I) Significant changes in internal controls over financial reporting during the year.
 - (II) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
 - (III) Instance of Significant fraud of which we have become aware and the involvement therein, if any, of the management of any employee having a significant role in the company's internal control system.
- (e) We affirm that we have not denied any personal access to the Audit Committee of the company (in respect of matters involving alleged misconduct, if any).
- (f) We further declare that all Board members and senior management have affirmed compliance with the code of conduct for the current year.

Place : Ahmedabad
Date : 06th July, 2010

Deependra Gupta
Chairman

Sagar Gawde
Director &
Chairman-Audit Committee

AUDITORS' REPORT

To,
The Members of
ROSELABS FINANCE LIMITED
Mumbai.

We have audited the attached Balance Sheet of "ROSELABS FINANCE LIMITED" ('the Company') as at 31st March, 2010 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto and These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standard generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 ('the Act'), and according to the information and explanation given to us during the course of the audit and on the basis of such checks as we considered appropriate, we have enclosed in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order, to the extent applicable to the Company.
3. Further to our comments in the Annexure referred to in Paragraph 1 above, we state that :-
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of accounts as required by Law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement complied with the requirements of the accounting standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors of the Company are disqualified from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, the Profit and Loss Account and Cash Flow Statement read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
 - i) in so far as it relates to the Balance Sheet of the state of affairs of the Company as at 31st March, 2010 and
 - ii) in so far as it relates to the Profit and Loss Account of the Loss of the Company for the year ended on that date.
 - iii) in so far as it relates to the Cash Flow Statement, of the cash flows for the year ended on that date.

FOR MEHTA KOTHARI & ASSOCIATES
Chartered Accountants

(PRADIP C. MEHTA)
Partner

Place : MUMBAI
Date : 06th July, 2010.

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph (1) of our report of even date.

1. In respect of Fixed Assets:
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
 - (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) In our opinion, the company has not disposed off substantial part of fixed assets during the year and the going concern status of the company is not affected.
 - (d) None of the Fixed Assets have been revalued during the year.
2. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (a) The company has granted a loan to a Company covered in the register maintained under section 301 of the Companies Act, 1956. The Amount of loan is as per notes to accounts.
 - (b) In our opinion, and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions of loans given are not prima facie prejudicial to the interest of the company.
 - (c) The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest wherever applicable.
 - (d) There is no overdue amount of loans granted to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
 - (e) The company has taken loans from parties covered in the register maintained under Section 301 of the Companies Act, 1956.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also with to the sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls system.
4. In respect of transactions covered under section 301 of the Companies Act, 1956:
 - (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanation given to us, the transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regards to prevailing market prices at relevant time.
5. The company has not accepted any deposits from the public.
6. In our opinion, the Company has an internal audit system commensurate with the size of the company and the nature of its business.
7. We have been informed by the management that Central Government has not prescribed maintainance of Cost Records under section 209(1) (a) of the Companies Act, 1956 in respect of products manufactured by the company.
8. In respect of statutory dues :
 - (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including providend fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty,

cess and other material statutory dues applicable to it, According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, the following government dues have not been paid.

	Rs.
TDSPAYABLE (2009-2010)	NIL
ESIC - EMPLOYEES CONTRIBUTION	NIL
INCOME TAX ON SALARY	39914
PROFESSIONTAX	1600
PROVIDENT FUND	20299
PROVISION FOR F.B.T	NIL
	61813

9. In our opinion, the accumulated losses of the company are not more than fifty percent of its networth. The company has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
10. According to the records of the company, the company has not borrowed from financial institutions or banks or issued debentures till 31st March, 2010. Hence in our opinion, the question of reporting on defaults in repayment of dues to financial institutions or banks or debenture holders does not arise.
11. In Our opinion and according to the information and explanations given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
12. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Hence clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable of the company.
13. The Company has maintained proper records of transactions and contracts in respect of dealings in or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name.
14. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
15. The company has not raised any term loan during the year.
16. According to the information and explanations given to us and on an overall examination of the Balance sheet of the company, we are of the opinion that no funds raised on short term basis have been used for long term investment.
17. According to the information and explanations given to us, the company has not made any preferential allotment of shares, during the year, to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
18. The company has not issued any debentures during the year.
19. The company has not raised any money by way public issue during the year.
20. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.
21. As per the information and explanations given to us, Other matter under the order are either Nil or Not Applicable.

FOR MEHTA KOTHARI & ASSOCIATES
Chartered Accountants

(PRADIP C. MEHTA)
Partner

Place : MUMBAI
Date : 06th July, 2010.

BALANCE SHEET AS AT 31st MARCH, 2010

	SCHEDULE NO.	AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS :			
1. Shareholders Funds	A	100000000	100000000
2. Reserves and Surplus	B	413525	413525
3. Loan Funds			
Unsecured Loan	C	65038324	3204324
TOTAL		<u>165471849</u>	<u>103617849</u>
APPLICATION OF FUNDS :			
1. Fixed Assets	D	239816	153052
2. Investments	E	4003746	-
3. CURRENT ASSETS, LOANS & ADVANCES			
Cash & Bank Balances	F	13961800	1307568
STOCK IN TRADE		-	-
Sundry Debtors	G	-	-
Loans and Advances	H	126917275	85283429
Total Current Assets		<u>140879076</u>	<u>86590998</u>
4. Less : Current Liabilities & Provisions	I	1210331	636643
		<u>139668744</u>	<u>85954354</u>
5. Preliminary Expenses to the Extent not written off	J	-	-
6. Profit & Loss Account	K	21559543	17510443
Total		<u>165471849</u>	<u>103617849</u>
NOTES FORMING PART OF ACCOUNTS	R		

AS PER OUR REPORT OF EVEN DATE ATTACHED HEREWITH

FOR MEHTA KOTHARI & ASSOCIATES*Chartered Accountants***Pradip C. Mehta**

Partner

Place : Mumbai
Date : 6th July, 2010**FOR AND ON BEHALF OF
ROSELABS FINANCE LIMITED**

Director

Director

Place : Mumbai
Date : 6th July, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	SCHEDULE NO.	For the year ended 31.03.2010	For the year ended 31.03.2009
INCOME :			
Sales	L	-	5861143
Income From Operations	M	32322	214976
Increase (Decrease) in Stock	N	-	(8754910)
TOTAL		32322	(2678791)
EXPENDITURE :			
Purchase of Shares	O	-	-
Employees Cost	P	2120333	1513059
Administrative Expenses	Q	1890384	556073
Preliminary Exp. Written Off		-	-
Total		4010717	2069132
Net Loss for the period carried to Balance Sheet			
Profit (Loss) Before Dep. & Tax		(3978395)	(4747923)
Depreciation		70705	13822
Profit (Loss) Before Tax		(4049100)	(4761745)
Provision for Income Tax & FBT		-	34315
Trf. to Special Reserve Fund		-	-
Profit (Loss) For Appropriation		(4049100)	(4796060)
Profit (Loss) B/F		(17510443)	(12714383)
Profit (Loss) Transferred to B/S		(21559543)	(17510443)
Notes Forming Part of Accounts	R		

AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith

FOR MEHTA KOTHARI & ASSOCIATES
Chartered Accountants

Pradip C. Mehta
Partner

Place : Mumbai
Date : 6th July, 2010

FOR AND ON BEHALF OF
ROSELABS FINANCE LIMITED

Director

Director

Place : Mumbai
Date : 6th July, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-10	2008-09
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :		
Net Loss before Taxation and Extra-ordinary items	(39.78)	(47.48)
Adjusted for :		
Income tax & FBT	-	0.34
Depreciation	0.71	0.13
Operating Profit Before Working Capital Changes	(40.49)	(47.95)
WORKING CAPITAL CHANGES		
Adjusted for :		
(Increase) / Decrease in Current Assets	(416.34)	(0.98)
(Increase) / Decrease in Current Liabilities	5.74	37.32
NET CASH INFLOW (OUTFLOW) IN COURSE OF OPERATING ACTIVITIES	(410.60)	36.34
B. CASH FLOW ARISING FROM INVESTMENT ACTIVITIES :		
OUTFLOW :		
a. Purchase of Fixed Assets	(0.87)	(0.73)
b. Purchase of Investment	(40.04)	-
INFLOW :		
a. Sale of Investment	-	2.73
b. Sale of Fixed Assets	-	-
NET CASH INFLOW (OUTFLOW) IN COURSE OF INVESTMENT ACTIVITIES	(40.91)	2.00
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES :		
Borrowings	618.54	-
NET CASH INFLOW (OUTFLOW) IN COURSE OF INVESTMENT ACTIVITIES	618.54	-
Net Increase / (Decrease) in Cash and Cash equivalent (A+B)	126.54	(9.61)
ADD : Cash/Cash equivalents (Opening)	13.07	22.68
Cash/Cash Equivalent (Closing)	139.61	13.07

**FOR AND ON BEHALF OF
ROSELABS FINANCE LIMITED**

Chairman

Place : Ahmedabad
Date : 6th July, 2010

Director

AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of **Roselabs Finance Limited** derived from the audited financial statements for the year ended 31st March, 2010 and found the same to be drawn in accordance there with and also with the requirements of clause 32 of the Listing Agreement with the Stock Exchanges.

FOR MEHTA KOTHARI & ASSOCIATES
Chartered Accountants

Place : Ahmedabad
Date : 6th July, 2010

(PRADIP C. MEHTA)
Partner

SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT

PARTICULARS	AS AT	AS AT
	31.03.2010	31.03.2009
	Amount in Rs.	Amount in Rs.

SCHEDULE - A :**SHARE CAPITAL**

Authorised Share Capital 11000000 Equity Shares of Rs. 10 each	110000000	110000000
Issued Subscribed & Paid up Capital 10000000 (10000000) Equity Shares of Rs. 10 each	100000000	100000000
TOTAL	100000000	100000000

SCHEDULE - B :**RESERVES & SURPLUS**

Special Reserve Fund [Sec. 45IC]	413525	413525
TOTAL	413525	413525

SCHEDULE - C :**UNSECURED LOANS**

From Companies	65058324	3204324
TOTAL	65058324	3204324

SCHEDULE : D**FIXED ASSETS**

	Gross Block				Depreciation				Net Block	
	As at 01.04.09	Addi- tions	Deduc- tions	As at 31.03.10	Upto 31.03.09	For the Year	Deduc- tion	Upto 31.03.10	As at 31.03.10	As at 31.03.09
Office equipments										
Computers	242704	105389	-	348093	89652	68474	-	158126	189967	153052
Airconditioners	-	44890	-	44890	-	1916	-	1916	42974	-
Water Purifier	-	7190	-	7190	-	315	-	315	6875	-
Total	242704	157469	-	400173	89652	70705	-	160357	239816	153052
Previous Year	169630	156874	93800	242704	89103	13822	13273	89652	153052	

SCHEDULE - E :**INVESTMENTS**

Investment in Equity Shares (Listed/Unlisted)		
HDFC Liquid Fund	2001766	-
ICICI Prudential Flexible Income Plan	2001980	-
TOTAL	4003746	-

SCHEDULE - F :**CASH AND BANK BALANCES**

Cash in Hand	936286	610512
Axis Bank Ltd.	237578	683436
Bank of Baroda	11720	13620
HDFC Bank Ltd.	10000	-
ICICI Bank Ltd.	12766217	-
TOTAL	13961800	1307568

ROSELABS FINANCE LIMITED

PARTICULARS	AS AT	AS AT
	31.03.2010	31.03.2009
	Amount in Rs.	Amount in Rs.
SCHEDULE - G :		
SUNDRY DEBTORS		
TOTAL	-	-
SCHEDULE - H :		
LOANS AND ADVANCES		
Sundry Loans	125741129	83987314
Advances Recoverable in cash or kind for value to be received (Unsecured Considered Good)		
Other Assets	1176146	1296115
TOTAL	<u>126917275</u>	<u>85283429</u>
SCHEDULE - I :		
CURRENT LIABILITIES AND PROVISIONS		
Creditors for Expenses	830172	169850
Other Liabilities	380159	413028
Provisions	-	53765
TOTAL	<u>1210331</u>	<u>636643</u>
SCHEDULE - J :		
PRELIMINARY AND PUBLIC ISSUE EXP.		
Preliminary Exp. Not W. Off.	-	-
Less : 1/10th W/off during the year	-	-
TOTAL	<u>-</u>	<u>-</u>
SCHEDULE - K :		
PROFIT AND LOSS ACCOUNT		
Opening Balance	17510443	12714383
Add : Profit (Loss) During the year	4049100	4796060
Closing Balance	<u>21559543</u>	<u>17510443</u>
SCHEDULE - L :		
SALES		
Sale of Shares	-	5861143
Total	<u>-</u>	<u>5861143</u>
SCHEDULE - M :		
INCOME FROM OPERATIONS		
Interest Income	-	57860
Profit on Sale Shares	-	108231
Interest on Income Tax Refund (2005-06)	-	3884
Interest on Income Tax Refund (2006-07)	-	44131
Interest on Income Tax Refund (2007-08)	28544	-
Dividend Income	3778	870
Total	<u>32322</u>	<u>214976</u>

ROSELABS FINANCE LIMITED

PARTICULARS	AS AT	AS AT
	31.03.2010	31.03.2009
	Amount in Rs.	Amount in Rs.
SCHEDULE - N :		
INCREASE(DECREASE) IN STOCK		
Stock at Close	-	-
Stock at Commencement	-	8754910
Increase (Decrease) in Stock	-	(8754910)
SCHEDULE - O :		
PURCHASE		
Purchase of Shares	-	-
TOTAL	-	-
SCHEDULE - P :		
EXPENSES FOR EMPLOYEES		
Salary & Bonus	1509330	1035816
Other Allowances	436078	477423
Provident Fund & Others	174925	-
TOTAL	2120333	1513059
SCHEDULE - Q :		
ADMINISTRATIVE EXPENSES		
Postage and Courier	2122	14362
Printing & Stationary	9294	15175
Computer Expenses	25117	-
Office Expenses	7429	3694
Advertisement Expenses	19883	12076
Consultancy Charges	-	53933
Certification Fees	-	5056
Bank Charges	2009	35396
Professional Charges	1021204	28247
Auditor's Remuneration	165450	165450
Electricity Charges	9680	430
Conveyance Expenses	25730	2105
D-Mate Charges	-	5637
Telephone Expenses	88705	21680
Professional Tax Company	5000	-
Filing Fees	7130	-
Listing Fees	16545	39097
Folio Custody Charges - NSDL / CDSL	33090	22472
Legal Expenses	3750	150
Staff Welfare Expenses	-	-
Sundry Expenses	6308	200
Sundry Balance Written off	16	80527
Office Rent	430520	32191
Vehicle Expenses	-	10355
Maintainance Expenses	8774	-
Software Expenses	-	7700
Service Tax - Others	-	24
Interest on Income Tax Delay	2628	116
TOTAL	1890384	556073

SCHEDULE "R"**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2010****[A] SIGNIFICANT ACCOUNTING POLICIES**

The accounts are prepared in accordance with the accounting principles accepted in India. The Company follows accrual method of accounting. The Significant accounting policies to the extent applicable to the company are as under:

1. SYSTEM OF ACCOUNTING :

The Financial statements are prepared on the basis of historical cost convention on accrual basis and on going concern basis.

2. REVENUE RECOGNITION :

All known expenditure and income to the extent payable or receivable respectively and quantifiable till the date of finalisation of accounts are accounted on accrual basis.

3. FIXED ASSETS :

Fixed assets are carried at cost of acquisition or construction including incidental expenses related to acquisition and installation on concerned assets, loss accumulated depreciation and amortization.

4. DEPRECIATION :

Depreciation has been provided on Written Down Value method in accordance with the provision of Section 205(2)(b) of the Companies Act, 1956 at the rate prescribed in Schedule XIV of the Companies Act, 1956 on prorata basis with reference to the date of acquisition installation.

5. INVESTMENTS :

Long term investments are stated at cost. No provision for diminution in the value of long term investment is made.

6. SUNDRY DEBTORS

No provision has been made for the bad debts. Bad debts will be accounted for in the books and to be charged to revenue, as and when they arise.

7. CONTINGENT LIABILITIES

There were no contingent liabilities. All liabilities were accounted forthwith.

8. RESEARCH & DEVELOPMENT :

No research and development expenditure has been incurred by the firm during the year.

9. FOREIGN CURRENCY TRANSACTION

The company has not made any foreign currency transaction during the year.

10. RETIREMENT BENEFITS :

No provision for retirements benefits for employees has been made since the Gratuity Act. Provident Fund Act not applicable to the company. And the company has adopted PAY-AS-YOU-GO method for the payment of other retirement benefits if any payable to the employees.

[B] NOTES OF ACCOUNTS

1. Paise are rounded up to the nearest rupee.

2. Previous year figures are regrouped and rearranged wherever necessary.

3. Auditors Remuneration	2009-10	2008-09
Audit Fees	165450	165450

4. Additional information pursuant to provisions of paragraphs 4C,3 and 40 of part II of Schedule VI to the Companies Act 1956 (Information given to the extent applicable)

- a. Licensed Capacity Not Applicable
 b. Installed Capacity Not Applicable
 c. Quantitative Details in respect of Trading of Shares

	2009-2010		2008-2009	
	Qty.	Value	Qty.	Value
Opening Stock	-	-	1,223,078	8,754,910
Purchases/Split/Bonus	-	-	-	-
Sales	-	-	1,223,078	5,861,143
Closing Stock	-	-	-	-
d. Value of good imported on CIF		NIL		NIL
e. Value of export calculated on FOB Value		NIL		NIL
f. Value of other earning in Foreign Exchange		NIL		NIL

5. Expenditure incurred on employees who are in receipt of remuneration on the aggregate of not less than Rs. 24,00,000/- per annum if employed throughout the year and of Rs. 2,00,000/- per month if employed for part of the year

	2009-2010	2008-2009
No. of Employees	NIL	NIL
Amount paid	NIL	NIL

6. Balance of sundry creditors, debtors, loans and advances are subject to confirmation
7. The audit has been carried out on the basis of the fresh computerized output reconciled
8. The Company has advised that the computation of the net profit under section 349 of the Companies Act 1956 need not be made since no remuneration commission is paid payable under section 348 of the Companies Act, 1956 for the year ended 31st March 2010.
9. In the opinion of the Board of Directors, Current Assets, Loans & Advances are realizable in the ordinary course of business at the value at which they are stated.
10. Schedule "A" to "R" forms the integral part of the Balance Sheet as at 31st March 2010 and the Profit & Loss Account for the year ended on that date.
11. Segmentation Reporting :

In the opinion of the management the company is mainly engaged in the business of NBFC. All other activities of the Company revolve around the main business, and as such there are no separate reportable segment as defined by Accounting Standard -17 " Segment Reporting" Issued by the Institute of Chartered Accountants of India.

12. Related party Disclosures :

List of related parties with whom transactions have taken place during the year.

- a. Key Management Personnel : 1. Shri Deependra Gupta
 2. Shri Sagar Gawde
- b. Companies controlled by : **Shri. Deependra Gupta**
 Directors/Relatives Roselabs Finance Limited

Shri. Sagar Gawde

Shri. Samyak Veera

Suvidhinath Buildtech Private Limited
 Benchmark Infracon Private Limited
 Susima Infotech Private Limited
 Suryakrupa Farms & Constructions Pvt. Ltd.
 Vamadevi Developers & Farms Private Limited
 Suvrata Infrabuild & Farms Private Limited
 Suvidhinath Quality Construction Pvt. Ltd.
 Susima Buildtech & Farms Private Limited
 Alankit Builders & Developers Private Limited
 Kunthunath Facilities Management Pvt. Ltd.
 Saikrupa Infotech Private Limited
 Shankarparvati Reality & Agro Private Limited
 Lodha And Nagotra Builders Private Limited
 Shantipriya Developers & Farms Private Limited
 Shivchhaya Developers & Farms Pvt. Ltd.
 Sumangla Developers & Farms Private Limited
 Munisuvrata Constructions & Farms Pvt. Ltd.
 Mallinath Reality & Agro Private Limited
 Maheshvilla Developers & Farms Pvt. Ltd.
 Sanathnagar Enterprises Limited
 Avaya Holdings and Trading Private Limited
 National Standard (India) Limited
 Roselabs Finance Limited
 Suvidhinath Buildtech Private Limited
 Kritika Infrabuild & Farms Private Limited
 Ambeshwari Buildtech & Farms Private Limited
 Rushabhath Constructions & Farms Pvt.Ltd.
 Alankit Builders & Developers Private Limited
 Light House Estate Private Limited
 Shivchhaya Developers & Farms Pvt.Ltd.
 Munisuvrata Constructions & Farms Pvt.Ltd.
 Meghal Homes Private Limited
 Sanathnagar Enterprises Limited
 Shri Gajanand Builders Private Limited
 Poonam Fast Foods Private Limited
 Vyanjan Hotela Private Limited
 Roselabs Finance Limited

3. Transaction during the year with related parties :

Particulars	Associates/ Joint Venture	Key Management Personnel	Companies controlled by Directors/Relatives
a. Unsecured Loans			
-Balance as at 01.04.2009	Nil	Nil	2048000
- Received during the year	Nil	Nil	38100000
- Payment during the year	Nil	Nil	38570000
- Balance as at 31.03.10	Nil	Nil	1578000
b. Loans & Advances			
-Balance as at 01.04.2009	Nil	Nil	5406514
- Given during the year	Nil	Nil	2726424
- Return during the year	Nil	Nil	470922
- Balance as at 31.03.10	Nil	Nil	7662016

13. Earning Per Share (AS 20)

Earning per shares (ERP) computed in accordance with Accounting Standard - 20(AS-20) issued by the Institute of Chartered Accountant of India.

Particulars	2009-2010	2008-2009
Net Profit as per Profit & Loss A/c.	(4,049,100)	(4,796,060)
Weighted Avg. of No. of Equity Shares	1,00,00,000	1,00,00,000
Basic and Diluted E.P.S. (Rs.)	(0.40)	(0.48)

14. Accounting for Taxes of Income

- a. Provisions for current tax is made on the basis if the amount of tax payable on taxable income for the year in accordance with the Income Tax Act -1961
- b. The Company has got unabsorbed depreciation and carry forward losses under tax laws under tax laws and there is not virtual certainty supported by convincing

15. We have verified the vouchers and documentary evidences wherever made available. Where no documentary evidences were available, we relied on the authentication given by the management.

AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith

FOR MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

Pradip C. Mehta

Partner

Place : Mumbai

Date : 6TH July, 2010

**FOR AND ON BEHALF OF
ROSELABS FINANCE LIMITED**

Chairman

Director

Place : Mumbai

Date : 6TH July, 2010

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

2 4 0 7 0

State Code

0 4

Balance Sheet Date :

3 1 0 3 2 0 1 0

II. Capital Raised during the year (Amount in Rs. Thousand)

Public Issue

N I L

Right Issue

N I L

Bonus Issue

N I L

Private Placement

N I L

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities

1 6 5 4 7 2

Total Assets

1 6 5 4 7 2

Source of Funds

Paid-up Capital

1 0 0 0 0 0

Reserves and Surplus

4 1 4

Secured Loans

0

Unsecured Loans

0

Application of Funds

Net Fixed Asset

2 4 0

Investments

4 0 0 4

Net Current Assets

1 3 9 6 6 9

Misc. Expenditure

0

Profit & Loss Account (Loss)

2 1 5 5 9

IV. Performance of the Company (Amount in Rs. Thousand)

Turnover and Other Income

3 2

Profit/(Loss) Before Tax

(4 0 4 9)

Earnings per share

N I L

Total Expenditure

4 0 8 1

Profit/(Loss) After Tax

(4 0 4 9)

Dividend Rate

N I L

V. Generic Names of Three Principal Products/Services of Company

ITEM CODE NO.

N A

PRODUCT DESCRIPTION

N A

AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith

FOR MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

Pradip C. Mehta

Partner

Place : Mumbai

Date : 6th July, 2010FOR AND ON BEHALF OF
ROSELABS FINANCE LIMITED

Chairman

Director

Place : Mumbai

Date : 6th July, 2010

ROSELABS FINANCE LIMITED

Regd. Office : 111/952, NIRMAL APARTMENT, SOLA ROAD, NARANPURA, AHMEDABAD- 380 064

**ANNUAL GENERAL MEETING
PROXY FORM**

I/ We _____
 of _____ being a member(s) of the above named
 Company, hereby appoint _____
 of _____ or failing him _____
 of _____ as my/our proxy and to vote for me/us on my behalf at the **SIXTEENTH ANNUAL
 GENERAL MEETING OF THE COMPANY** at 111/952, Nirmal Apartment, Sola Road, Naranpura, Ahmedabad-
 380064 to be held on Monday, 27th September, 2010 at 11:30 a.m. or at any adjournment thereof.

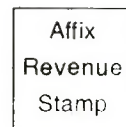
Signed this _____ day of September, 2010

Ledger Folio No. _____

D.P. ID* _____

Client ID* _____

No. of Shares held _____



(Signature of the Member)

*Applicable for the members holding Shares in electronic form

NOTE: This form duly completed and signed should be submitted at the Registered Office of the Company not less than 48 hours before the meeting.

----- TEAR HERE -----

ROSELABS FINANCE LIMITED

Regd. Office : 111/952, NIRMAL APARTMENT, SOLA ROAD, NARANPURA, AHMEDABAD- 380 064

ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full Name of the Member Attending
(IN BLOCK LETTERS) : _____Full Name of Proxy
(IN BLOCK LETTERS) : _____

(To be filled in if Proxy attends instead of the Member)

I hereby record my presence at the **SIXTEENTH ANNUAL GENERAL MEETING** of the Company at 111/952, Nirmal Apartment, Sola Road, Naranpura, Ahmedabad- 380064 on Monday, the 27th day of September, 2010 at 11: 30 a.m.

Ledger Folio No. _____

D. P. ID* _____

Client ID* _____

No. of Shares Held _____

Member's/ Proxy's Signature*Applicable for the members holding Shares
in electronic form(To be signed at the time of
handing over this slip)

Note: Members are requested to bring a copy of the Annual Report to the meeting.

Book - Post

To

If undelivered, please return to

ROSELABS FINANCE LIMITED

REGISTERED OFFICE:

Regd. Office : 111/952, NIRMAL APARTMENT,
SOLA ROAD, NARANPURA,
AHMEDABAD- 380 064

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