

ROSELABS FINANCE LIMITED

August 27, 2021

To,
The Listing Department,
BSE Limited
P J Towers, Dalal Street,
Mumbai -400001, India.
Scrip Code: 531324

Sub: Notice of Annual General Meeting and Annual Report for the year ended 31st March, 2021

Dear Sir/Madam,

In terms of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Notice of the 27th Annual General Meeting of the Company along with the Annual Report for the financial year ended 31st March, 2021.

The Annual Report is being sent to the members through electronic mode.

The Annual Report and AGM Notice are also uploaded on the Company's website and can be accessed at <http://www.roselabsfinancelimited.in/>

This is for your information and records please.

Thanking you,

For Roselabs Finance Limited



Abhijeet Shinde
Company Secretary
ACS:- A33077



ROSELABS FINANCE LIMITED

27th ANNUAL REPORT FINANCIAL YEAR 2020-21

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 DEMATERIALIZED FORM.

SEBI HAS MANDATED THAT SECURITIES OF LISTED COMPANIES CAN BE TRANSFERRED ONLY IN DEMATERIALIZED 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 DEMATERIALIZATION.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ms. Sanjyot Rangnekar	Chairperson (Non-Executive Non Independent Director)
Mr. Nilesh Rawat	Managing Director (upto May 31, 2021)
Mr. Prakash Vaghela	Independent Director
Mr. Mayank Padiya	Independent Director
Mr. Raghava Reddy	Managing Director (w.e.f. May 31, 2021)

CHIEF FINANCIAL OFFICER

Mr. Pravin Kumar Kabra

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Abhijeet Shinde

STATUTORY AUDITORS

MSKA & Associates,
Chartered Accountants
(Firm Registration No. 105047W)

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

REGISTERED OFFICE

412, 17G Vardhaman Chamber,
Cawasji Patel Road,
Horniman Circle, Fort, Mumbai-400 001
Tel.: +91-22-61334400 Fax: +91 -22-23024420
Website: www.roselabsfinancelimited.in
E-mail: roselabsfinance@lodhagroup.com
CIN: L70100MH1995PLC318333

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

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NOTICE

Notice is hereby given that the **27th ANNUAL GENERAL MEETING** of the Members of Roselabs Finance Limited will be held on Friday, September 24, 2021, at 5.00 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, 2021, together with the Reports of the Board of Directors and the Auditors thereon:
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.
3. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**

Re-appointment of Statutory Auditors of the Company

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and recommendation of the Audit Committee and approval of the Board of Directors of the Company, MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W) be and are hereby re-appointed as the Statutory Auditors of the Company for a second consecutive term of 5 (five) years to hold office from the conclusion of this Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2026, on such remuneration and terms and conditions as set out in the explanatory statement to this Notice.”

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**

Appointment of Mr. Raghava Reddy Balineni, as Director liable to retire by rotation and also as Managing Director of the Company

“RESOLVED THAT pursuant to the provisions of Section 160 and 161 of the Companies Act, 2013 read along with the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s), amendment(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of Nomination & Remuneration Committee and the Board of directors, Mr. Raghava Reddy (DIN 09185972), who was appointed as an Additional Director on May 31, 2021 and in respect of whom the Company has received a written notice from a Member of the Company, proposing his candidature as Director, be and is hereby appointed as the Director of the Company, whose office shall be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read along with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s), amendment(s) or re-enactment thereof, for the time being in force), the approval of the Company be and is hereby accorded for the appointment of Mr. Raghava Reddy as the Managing Director of the Company, without any remuneration, with substantial powers of management being entrusted to him, for a period of 5 years effective from May 31, 2021 on the terms and conditions as specified in the statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice.

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RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter and vary the terms and conditions of appointment and to do all such deeds, acts, matters and things as may be necessary and requisite for and in relation to give effect to aforesaid resolution on behalf of the Company.”

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: July 21, 2021

NOTES:

- 1) The Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under item nos. 3 and 4 of the Notice is annexed hereto.
- 2) In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular Nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively and by General Circular No. 02/2021 dated January 13, 2021 allowed companies whose AGMs were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs on or before December 31, 2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 (collectively referred to as “MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the validity of which has been extended till December 31, 2021 by SEBI, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (“SEBI”) (collectively referred to as “SEBI Circulars”) 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 compliance with these 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, which does not require physical presence of members at a common venue. Pursuant to MCA Circulars and SEBI Circulars, this annual report is being sent by email only.
- 3) In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. 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 roselabsfinance@lodhagroup.com with a copy marked to cs.shravangupta@gmail.com, scrutiniser appointed for the meeting and to Link Intime India Private Limited at enotices@linkintime.co.in.
- 4) 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 through VC/OAVM provided by NSDL through their platform.
- 5) 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.

- 6) Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
- 7) 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 website of the Stock Exchange i.e. BSE Limited and also on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. <https://www.evoting.nsdl.com/>
- 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 requests 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 ("R&T Agent"). 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) 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 and facility for those members participating in the AGM to cast vote through e-voting system during the AGM.
- 14) For this purpose, the Company has engaged the services of 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 e-voting at the AGM will be provided by NSDL.
- 15) Any person, who acquires shares of the Company and becomes member of the Company after the Company sends notice of the AGM by email and holds shares as on the cut-off date i.e. Friday, September 17, 2021 may obtain their login ID and password by sending a request at rta@cbmsl.com.

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- 16) 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 i.e. Friday, September 17, 2021.
- 17) 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. Friday, September 17, 2021 only shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- 18) The remote e-voting period will commence on Tuesday, September 21, 2021 at IST 9:00 am and will end on Thursday, September 23, 2021 at IST 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. Friday, September 17, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by NSDL private Limited 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.
- 19) 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).
- 20) The Company has appointed Shравan Gupta, (CoP No. 9990), Practicing Company Secretary or failing him Ritul Parmar (CoP No. 14845) , as the scrutinizer (the 'Scrutinizer') for securitizing the remote e-voting process as well as e-voting at the AGM in a fair and transparent manner.
- 21) During the AGM, the Chairman shall, after responding to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the AGM.
- 22) The Scrutiniser shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report to the Chairman or any person authorised by him within 48 hours from the conclusion of the meeting, who shall then countersign and declare the result of the voting forthwith.
- 23) 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 him. The results will also be immediately forwarded to the stock exchanges. .
- 24) The Register of Members and the Share Transfer books of the Company will remain closed from Thursday, September 16, 2021, to Friday, September 24, 2021, both days inclusive.
- 25) 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 his re-appointment.
- 26) 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 her 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.
- 27) 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.

28) THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, September 21, 2021 at 9:00 A.M. and ends on Thursday, September 23, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 17, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 17, 2021.

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: Access to NSDL e-Voting system





A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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.nsdl.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. Password details for shareholders other than Individual shareholders 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.**

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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.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.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 etc.
 - 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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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 1020 990 and 1800 22 44 30 or send a request 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. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member 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.
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.

ROSELABS FINANCE LIMITED

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 roselabsfinance@lodhagroup.com. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 TO THE ACCOMPANYING NOTICE

The following Statement sets out all material facts relating to the item no. 3 and 4 as mentioned in the Notice

Item No. 3: Re-appointment of Statutory Auditors of the Company

MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W) were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 30th September, 2016 for a term of 5 years i.e. to hold office upto the AGM for the financial year 2020-21. Accordingly, their present term gets completed on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee, has recommended for the approval of the Members, the re-appointment of MSKA & Associates, Chartered Accountants, as the Auditors of the Company for a further period of five years from the conclusion of this AGM till the conclusion of the AGM for FY 2025-26.

The Audit Committee has considered various parameters like capability to serve a complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found MSKA & Associates to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

MSKA & Associates is a Chartered Accountancy Firm registered with Institute of Chartered Accountants of India with Firm Registration No. 105047W. The firm has presence in 9 cities in India viz Ahmedabad, Bengaluru, Chennai, Kolkata, Hyderabad, Mumbai, New Delhi –Gurugram, Goa and Pune. Apart from statutory audit, the firm also has expertise in other allied areas. The firm has been statutory auditors of large listed companies to cross section of industries and carries a good professional track-record.

The present remuneration of MSKA & Associates for conducting the audit for the financial year 2020-21 is ₹ 40,000/- plus applicable taxes. It proposed to pay the same statutory audit fees of ₹ 40,000/- plus applicable taxes, and reimbursement of expenses to MSKA & Associates for the financial year 2021-22, with power to the Board to decide and finalise the audit fees to be paid to Auditors for the remaining tenure. Fees for services in the nature of limited review, statutory certifications and other professional work will be in addition to the audit fee as above and will be decided by the management in consultation with the Auditors.

The Auditors have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

The Board of Directors recommends the resolution at Item No. 3 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 3 of this Notice.

Item No. 4: Appointment of Mr. Raghava Reddy Balineni, as Director liable to retire by rotation and also as Managing Director of the Company

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) has appointed Mr. Raghava Reddy Balineni (DIN 09185972) as an Additional Director of the Company under Section 161(1) of the Companies Act, 2013 (the Act) with effect from May 31, 2021. He has also been appointed as Managing Director from that date. In terms of Section 161(1) of the Act, Mr. Reddy holds office only upto the date of the forthcoming AGM and is eligible for appointment as a Director. The Company has received a Notice under Section 160(1) of the Act from a Member signifying his intention

ROSELABS FINANCE LIMITED

to propose Mr. Reddy's appointment as a Director. The Board has also appointed Mr. Reddy as the Managing Director of the Company for a period of 5 (five) years from May 31, 2021 upto May 30, 2026, upon the terms & conditions hereinafter indicated, subject to approval of the Members.

Mr. Reddy, aged 52 years, is a law graduate and has extensive experience of 27 years in the field of taxation and general management. Brief resume of Mr. Reddy, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure to this notice.

The principal terms and conditions of appointment of Mr. Reddy as the Managing Director is as follows:

1. Period of Appointment: 5 (five) years commencing from May 31, 2021, the date of appointment.
2. Remuneration: Nil
3. Powers & Responsibilities as the Managing Director

As the Managing Director Mr. Reddy will carry out such functions, exercise such powers and perform such duties as the Board of Directors of the Company shall from time to time in its absolute discretion determine and entrust to him, subject, nevertheless to the provisions of the Companies Act, 2013 or any statutory modifications or re-enactment thereof for the time being in force.

4. Mr. Reddy shall not directly or indirectly engage himself in any other employment, business or occupation of whatsoever nature. However, he may with the prior approval of the Board of Directors, hold Directorship in other companies and/or provide services to other group companies or employment of the group companies.
5. If at any time Mr. Reddy ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the Managing Director. Similarly, if at any time the Managing Director ceases to be in the employment of the Company/Group Company for any cause / reason whatsoever, he shall cease to be a Director of the Company.

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Mr. Reddy under Section 190 of the Act.

The Nomination & Remuneration Committee and the Board of Directors is of the opinion that Mr. Reddy's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolutions at Item No.4 of this Notice relating to his appointment as a Director and Managing Director of the Company for a period of five years w.e.f. May 31, 2021 upto May 30, 2026 as an Ordinary Resolutions for your approval.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of appointment specified above are now being placed before the Members for their approval.

Except, Mr. Reddy, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the Resolution at Item No. 4 of the Notice. Mr. Reddy is not related to any other Director or KMP of the Company.

By Order of the Board of Directors

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

Abhijeet Shinde
Company Secretary
Membership No.: A33077

Place: Mumbai

Date: July 21, 2021

ROSELABS FINANCE LIMITED

Annexure 1

Details of directors retiring by rotation / seeking appointment / re-appointment at the meeting:

Name of the Director	Ms. Sanjyot Rangnekar (DIN: 07128992)	Mr. Raghava Reddy Balineni (DIN 09185972)
Date of Birth	July 06, 1970	June 13, 1969
Qualification	Member of the Institute of the Company Secretaries of India and the Institute of the Cost and Works Accountant of India.	He is commerce and a law graduate.
Experience	She has more than 20 years' of experience as Company Secretary with Macrotech Developers Limited, Essar Power Limited, Swastik Surfactants Limited amongst others.	He has extensive experience of 27 years in the field of taxation and general management. Presently he is working with Lodha Group.
Expertise in specific functional areas	Experience in M & A, compliance and governance	Indirect Taxation
Terms & Conditions of appointment	Ms. Sanjyot Rangnekar is proposed to be re-appointed as Non-executive Director without any remuneration from the Company	Mr. Raghava Reddy is proposed to be appointed as Managing Director for a period of five years effective May 31, 2021 without any remuneration from the Company.
Remuneration last drawn & Sought to be paid	Not applicable	Not applicable
Date of Appointment on the Board	April 19, 2017	May 31, 2021
Directorships held in other companies as on March 31, 2021	1. Sanathnagar Enterprises Limited 2. Cowtown Software Design Private Limited 3. Center for Urban Innovation 4. Primebuild Developers and Farms Private Limited 5. Brickmart Developers and Constructions Private Limited 6. Homescapes Constructions Private Limited 7. Palava Induslogic 2 Private Limited 8. Classichomes Developers and Farms Private Limited	Nil
Memberships of committees across companies (includes only Audit & Stakeholders Relationship Committee) as on March 31, 2021	1. Chairperson of Stakeholders Relationship Committee of the Company and Sanathnagar Enterprises Limited. 2. Member of Audit Committee of the Company and Sanathnagar Enterprises Limited.	Nil
Shareholding in the Company (Equity)	Nil	Nil
Relationship with other Directors/ Manager/Key Managerial Personnel	None	None
Number of Board meetings attended during the year 2020-21	4 (Four)	Not Applicable

DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present the 27th Annual Report of the Company along with the audited financial statements for the financial year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

(₹ in lakhs)

Particulars	2020-21	2019-20
Revenue from operations	-	-
Other income	16.43	0.39
Total Income	16.43	0.39
Total Expenditure	15.73	13.94
Exceptional Items	(275.41)	-
Profit/(Loss) before tax	(274.71)	(13.55)
Tax Credit/ (Expenses)	17.44	-
Profit/(Loss) after tax	(257.27)	(13.55)

REVIEW OF PERFORMANCE AND FUTURE OUTLOOK

Total revenue increased to ₹ 16.43 lakh during the financial year 2020-21 from ₹ 0.39 lakh during financial year 2019-20. Total expenditure increased to ₹ 15.73 lakh during the financial year 2020-21 from ₹ 13.94 lakh during financial year 2019-20. Net loss after tax during the year amounted to ₹ 257.27 lakh against net loss of ₹ 13.55 lakh during financial year 2019-20.

Pursuant to the cancellation of the Certificate of Registration, 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

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, Annual Return of the Company for the year ended on March 31, 2021 is available on the Company's website at <http://www.roselabsfinancelimited.in>.

CHANGES IN SHARE CAPITAL

There was no change in the authorized and paid-up share capital of the Company during financial year 2020-21.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

ROSELABS FINANCE LIMITED

Appointment:-

The Board at its meeting held on May 31, 2021, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Raghava Reddy Balineni (DIN 09185972) as Managing Director of the Company for a period of five years without remuneration, whose office shall be liable to retire by rotation, subject to the approval of shareholders. In the opinion of the Board, he brings wide experience, proficiency and expertise in field of taxation and general management which will provide valuable insights to the Company. The Board recommends his appointment to the shareholders.

Retiring by rotation:-

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.

Necessary resolutions for the above appointments are included in the accompanying notice of Annual General Meeting.

Cessation:-

Mr. Nilesh Rawat, Managing Director of the Company resigned as director w.e.f. May 31, 2021 due to personal commitments. The Board places on record its appreciation for the services rendered by him during his tenure as director.

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. Raghava Reddy, 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 June 08, 2020, August 31, 2020, November 03, 2020 and January 19, 2021. 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 March 16, 2021.

Board Committees

The Board has constituted three committees as on March 31, 2021.

Audit Committee (AC)

As on March 31, 2021, 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 invitees to the meetings of the Committee 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 June 08, 2020, August 31, 2020, November 03, 2020 and January 19, 2021. All members attended all meetings during the year.

Nomination & Remuneration Committee (NRC)

As on March 31, 2021, 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 once during the year; on June 08, 2020. All members attended the meeting.

Stakeholders' Relationship Committee (CSR)

As on March 31, 2021, 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 June 08, 2020, August 31, 2020, November 03, 2020 and January 19, 2021. 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 I to this Report.

ROSELABS FINANCE LIMITED

AUDITORS & AUDITOR'S REPORTS

- **Statutory Auditor**

MSKA & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company at the Annual General Meeting held on September 30, 2016 for a term of five consecutive years and hold office till the conclusion of the forthcoming Annual General Meeting.

The Board of Directors at its meeting held on July 21, 2021, after considering the recommendations of the Audit Committee, has recommended the re-appointment of MSKA & Associate, Chartered Accountants as the Statutory Auditors of the Company, for approval of the Members, to hold office for a period of five consecutive years, from the conclusion of the ensuing Annual General Meeting until the conclusion of the 32nd Annual General Meeting to be held in the calendar year 2026.

A resolution proposing re-appointment of MSKA & Associates, Chartered Accountants as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 forms part of the Notice of Annual General Meeting.

- **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, Shravan A. Gupta & Associates, Practicing Company Secretary was appointed as Secretarial Auditor to conduct secretarial audit for the financial year 2020-21.

Auditor's Reports

- The Statutory Auditor's Report for financial year 2020-21 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 2020-21 does not contain any qualifications, reservations or adverse remarks. The Secretarial Audit Report is provided in **Annexure II** 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 / behavior 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.

As on the date of this Report, the Company does not have any employee.

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 were no foreign exchange earnings or outgo during the financial year 2020-21.

ROSELABS FINANCE LIMITED

CORPORATE GOVERNANCE REPORT

As the paid up equity share capital and net worth 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.

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 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. Meanwhile the Recovery officer of SEBI issued a notice of demand to recover the penalty of ₹ 253.73 lakhs along with the interest of ₹ 21.68 lakhs on 08-September-20. Accordingly, during the year the Company has made provision of ₹ 275.41 lakhs, and the same has been disclosed as an exceptional item in statement of profit and loss. Further the company has deposited ₹ 126.86 lakhs with the SEBI as per SAT order dated 10-November-2020. The matter is pending before the SAT.

GENERAL

Your Directors state that for the financial year ended March 31, 2021, 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.
- c. There are no material changes or commitments affecting the financial position of the Company between March 31, 2021 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 2020-21.
- j. The provisions related to Corporate Social Responsibility are not applicable to the Company.
- k. No petition/ application has been admitted under the Insolvency and Bankruptcy Code, 2016 by NCLT.
- l. The provisions related to Cost Audit 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 year;
- 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 : July 21, 2021
Place : Mumbai

Sanjyot Rangnekar
Chairperson
DIN: 07128992

Raghava Reddy
Managing Director
DIN: 09185972

Annexure I

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 : July 21, 2021
Place : Mumbai**

Sanjot Rangnekar
Chairperson
DIN: 07128992

Raghava Reddy
Managing Director
DIN: 09185972

Annexure II

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[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, 2021, 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, 2021 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 does not 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. 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. Meanwhile the Recovery officer of SEBI issued a notice of demand to recover the penalty of ₹ 253.73 lakhs along with the interest of ₹ 21.68 lakhs on September 08, 2020. Further the company has deposited ₹ 126.86 lakhs with the SEBI as per SAT order dated November 10, 2020. The matter is pending before the SAT.

Shravan A. Gupta & Associates
Practicing Company Secretary

Shravan A. Gupta
ACS: 27484, CP: 9990
Place: Mumbai
UDIN : A027484C000349630
Date: 25.05.2021

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

Due to the onslaught of Covid induced restrictions, the Indian economy is expected to have contracted sharply by -7.3% in FY21 as per the estimates released by MOSPI, Govt. of India. To boost the growth, policy response from RBI and the Government has been swift and coordinated. RBI has continued to maintain ample liquidity in the system. The RBI has reduced Repo rates by 115 bps since the beginning of the Covid shock in March 2020 to 4% which is the lowest in decades. This has continued to keep the interest rates in the benign territory. Similarly, the Government on its part has also taken various initiatives for economic recovery in response to the COVID-19 pandemic through financial packages, tax reliefs, relaxation in interest payments, etc. Aggregate demand conditions after opening up in 2020, have remained resilient. In its first monetary policy statement for 2021-22, the RBI retained its projection of real GDP growth for the year at 10.5%. Some of the green shoots were already visible in the economy in March such as the record GST collections, petrol consumption, electricity generation etc. As per the household survey of the Centre for Monitoring Indian Economy (CMIE), employment conditions brightened in March, with the unemployment rate sliding to 6.5%.

With the second wave of COVID-19 infections forcing authorities to bring back restrictions, economic activity in general and activity in contact intensive sectors particularly is set to suffer again. This puts the nascent recovery under some risk. Continued vaccination momentum remains critical for the eventual opening up of the economy and thus the growth. It is heartening to know that the vaccination in India is progressing well with more than 325 million vaccine doses already administered by end of June 2021. Fulfilment of India's aim to vaccinate the entire eligible population by December will likely yield growth dividend in the second half of the fiscal.

Real Estate sector in India

The Indian real estate sector, which includes the residential, office, retail, industrial, logistics and hospitality segments, is a key contributor to GDP growth, and is one of the largest employers in India- second only to agriculture. The sector contributes nearly 6% to the total GDP of the country. According to Anarock Research and various industry sources, with a CAGR of around 10% Real Estate market has grown from US\$ 50 bn in 2008 to US\$ 120 bn in 2017. The sector is expected to reach a market size of US\$ 1 trillion by 2030 clocking a CAGR of 18% and becoming third largest globally.

In the past three to four years, Indian Real Estate has witnessed various change agents including demonetization, implementation of RERA, GST, liquidity crisis, etc, which have cleaned up the sector, brought transparency and have started the process for consolidation of the sector towards the branded developers.

Another key contributor towards the consolidation theme for sector and the cause for its acceleration has been the sharp decline in credit from the formal financial sector to unbranded developers. This coupled with lack of customer trust for this segment has meant that such unbranded players will be unable to bring any meaningful supply in the near future. As per Anarock Research, incremental credit to real estate developers has come down from over an average of ₹ 40,000 crore over FY17-19 to merely ₹ 5000 crore in FY20. As per estimate, this figure would have further dropped in FY21. Clearly the dramatic fall in incremental credit flowing from banks & NBFCs to the developers meant that most of the unbranded developers are unable to continue the existing projects as well as launching new projects. These unbranded

developers along with the financial institutions who supported them earlier are now looking at the branded and stronger tier-1 developers to rescue those projects by taking over the existing projects and/or tie-up for their new land parcels.

Thus, the sector is currently very favourable for the well-known branded developers.

The MMR Residential Real Estate Market

Overview of the Mumbai Metropolitan Region Real Estate Segment

MMR due to its high population density has been one of the worst affected cities by the COVID-19 pandemic. Consequently, the lockdown imposed on March 2020 extended to over 9 months in the form of partial lockdowns. Several parts of MMR had to go into a second lockdown after partial reopening in the month of June 2020. Despite the initial set back, the city bounced back in the second half of the year and showed strong growth.

MMR remained the most active real estate market of India which as per Anarock Research accounted for nearly 24% and 32% of the supply and absorption, respectively, during CY2020. The city reported a launch of approximately 30,000 units and sales of over 44,000 units during CY2020. This continuing trend of sales exceeding launches during the last 4 years (since 2017) has led to a significant reduction the unsold inventory by 12%. Q1CY2021 further saw strong growth in absorption both on a QoQ basis as well as YoY basis. As per Anarock Research, absorption increased by 46% Y-o-Y to 20,350 units during Q1CY21 surpassing the pre- COVID levels. New launches also witnessed an increase albeit at a slower pace of 41% Y-o-Y during Q1CY21. Nearly 14,820 units were launched during the current quarter, gradually increasing post-pandemic but still lagging the absorption levels. Available unsold inventory continued its downward trend and decreased by 3% during Q1CY2021 as compared to Q4CY2020 and was recorded at 197,040 units. Based on the annualized Q1CY21 absorption, unsold inventory in MMR is now just over 2 years, now pointing to a situation where supply is getting constrained. As per Anarock Research, the revival of market trends in the Q3CY20-Q1CY21 is an early sign of market recovery. As per industry sources, buyers are interested in buying houses only from established and branded developers even at a premium. The real estate sector of MMR is well structured and corporatized as compared to other cities due to the early implementation of RERA in Maharashtra. This may lead to a further acceleration of revival of the sector in the city.

(b) Opportunities and Threats.

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 and your Company would endeavour to derive it by using the free funds available with the Company.

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

ROSELABS FINANCE LIMITED

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.

(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 2020-21 and 2019-20.

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.

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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, 2021 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, 2021, 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.

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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:

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- 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 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: 21122071AAAADO3490

Place: Mumbai
Date: April 26, 2021

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, 2021.

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: 21122071AAAADO3490

Place: Mumbai
Date: April 26, 2021

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, 2021

[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, undisputed statutory dues of income tax, goods and service tax have generally been regularly deposited with the appropriate though there have been delays in a few instances. The Company's operations during the year didn't give rise to any liability for value added tax, service tax, custom duty, excise duty or employee's state insurance. Further, no undisputed statutory dues were in arrears, as at March 31, 2021 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 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	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.

- 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: 21122071AAAADO3490

Place: Mumbai
Date: April 26, 2021

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, 2021.

[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, 2021 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, 2021, 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: 21122071AAAADO3490

Place: Mumbai

Date: April 26, 2021

ROSELABS FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2021

	Notes	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
ASSETS			
Non-Current Assets			
Non - Current Tax Assets	2	4.56	107.50
Deferred Tax Assets	15	10.81	10.81
Total Non-Current Assets		15.37	118.31
Current Assets			
Financial Assets			
Cash and Cash Equivalents	3	5.03	1.03
Bank Balances other than Cash and Cash Equivalents	4	0.10	-
Total Current Assets		5.13	1.03
Total Assets		20.50	119.34
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	5	1,000.00	1,000.00
Other Equity			
Retained Earnings	6	(1,588.32)	(1,331.05)
Equity attributable to owners of the Company		(588.32)	(331.05)
Current Liabilities			
Financial Liabilities			
Borrowings	7	456.81	449.43
Trade Payables	8		
Due to Micro and Small Enterprises		-	-
Due to Others		2.44	0.46
Other Financial Liabilities	9	0.68	0.40
Provisions	10	148.55	-
Other Current Liabilities	11	0.34	0.10
Total Current Liabilities		608.82	450.39
Total Liabilities		608.82	450.39
Total Equity and Liabilities		20.50	119.34
Significant Accounting Policies	1		
See accompanying notes to the Financial Statements	1 - 28		

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 : 26-April-2021

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)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

	Notes	For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
I INCOME			
Other Income	12	16.43	0.39
Total Income		16.43	0.39
II EXPENSES			
Employee Benefits Expense	13	3.13	3.55
Other Expenses	14	12.60	10.39
Total Expense		15.73	13.94
III Profit / (Loss) Before Exceptional Item (I-II)		0.70	(13.55)
Exceptional Items (Refer Note 27)		(275.41)	-
Loss Before Tax		(274.71)	(13.55)
IV Tax Expense			
Current Tax	15	17.44	-
Total Tax Expense		17.44	-
V Loss for the year (III-IV)		(257.27)	(13.55)
VI Other Comprehensive Income (OCI)		-	-
VII Total Comprehensive Income for the year (V + VI)	24	(257.27)	(13.55)
VIII Earnings per Equity Share (in ₹)			
(Face value of ₹ 10 per Equity Share)			
Basic		(2.57)	(0.14)
Diluted		(2.57)	(0.14)
Significant Accounting Policies	1		
See accompanying notes to the Financial Statements	1 - 28		

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 : 26-April-2021

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

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(Chief Financial Officer)

ROSELABS FINANCE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021

	For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
(A) Operating Activities		
Loss Before Tax	(274.71)	(13.55)
Adjustments for:		
Sundry Balances written back	-	(0.16)
Provisions for disputed Matters	275.41	-
Interest Income on IT refund	(16.43)	(0.23)
Operating Profit / (Loss) before working capital changes	(15.73)	(13.94)
Working Capital Adjustments:		
Increase in Trade and Other Payables	(124.36)	(31.12)
Cash used in Operating Activities	(140.09)	(45.06)
Income Tax refund received	120.38	3.25
Net Cash used in Operating Activities	(19.71)	(41.81)
(B) Investing Activities		
Interest Received	16.43	0.23
Investment in Bank Deposits	(0.10)	-
Net Cash used in Investing Activities	16.33	0.23
(C) Financing Activities		
Proceeds of Borrowings (Net)	7.38	41.65
Net Cash Flows from Financing Activities	7.38	41.65
(D) Net Increase in Cash and Cash Equivalents (A+B+C) :	4.00	0.07
Cash and Cash Equivalents at the beginning of the year	1.03	0.96
Cash and Cash Equivalents at end of the year (Refer Note 3)	5.03	1.03

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-21	31-March-20
Borrowings		
Balance at the beginning of the year	449.43	407.78
Cash flow	7.38	41.65
Non cash changes	-	-
Balance at the end of the year	456.81	449.43

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 : 26-April-2021

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

Sanjyot Rangnekar
(Chairperson)
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(Chief Financial Officer)

ROSELABS FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(A) EQUITY SHARE CAPITAL

	₹ in Lakhs	
Particulars	As at 31-March-21	As at 31-March-20
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
	Retained Earnings	
As at 01-April -20	(1,331.05)	(1,331.05)
Loss for the year	(257.27)	(257.27)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	(257.27)	(257.27)
As at 31-March -21	(1,588.32)	(1,588.32)
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)
Transfer (to) / from retained earnings	-	-
As at 31-March -20	(1,331.05)	(1,331.05)

As per our attached report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

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

Bhavik L. Shah
Partner
Membership No. 122071

Sanjyot Rangnekar
(Chairperson)
DIN: 07128992

Nilesh Rawat
(Managing Director)
DIN: 06705140

Place : Mumbai
Date : 26-April-2021

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, 2021

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 of the Company have been 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 and amendment if any.

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, 2021

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)

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2021

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:

Notes to Financial Statement for the year ended 31st March, 2021

- i) The rights to receive cash flows from the asset have expired, or
- 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, 2021

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, 2021

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, 2021

- 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 which is linked to the application and receipt of occupancy certificate.

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.

Notes to Financial Statement for the year ended 31st March, 2021

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.

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.

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2021

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

	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
2 Non - Current Tax Assets		
Advance Income Tax (Net of Provision)	4.56	107.50
Total	4.56	107.50
3 Cash and Cash Equivalents		
Balances with Banks	5.03	1.03
Total	5.03	1.03
4 Bank Balances other than Cash and Cash Equivalents		
Fixed Deposits with original maturity of more than 3 months	0.10	-
Total	0.10	-
5 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

Notes to Financial Statement for the year ended 31st March, 2021

	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
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

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	74,24,670
Amount	742.47	742.47

E) Details of Shareholders holding more than 5% shares in the Company

Macrotech Private Limited, the Holding Company

Numbers	74,24,670	74,24,670
% of Holding	74.25%	74.25%

F) There are no shares issued for consideration other than cash during the period of five years.

6 Retained Earnings

Balance at the beginning of the year	(1,331.05)	(1,317.50)
Decrease during the year	(257.27)	(13.55)
Balance at the end of the year	(1,588.32)	(1,331.05)

7 Current Borrowings**Unsecured :**

Loans/ Inter Corporate Deposits from Related Parties (Refer Note 19)*	456.81	449.43
Total	456.81	449.43

* Interest Free, Repayable on demand.

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2021

	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
8 Current Trade Payables		
Due to Micro and Small Enterprises	-	-
Due to Others	2.44	0.46
Total	2.44	0.46
<p>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.</p>		
9 Other Current Financial Liabilities		
Payable to Related Party (Refer Note 19)	0.68	0.40
Total	0.68	0.40
10 Provisions		
Payable against Demand (Refer Note 27)	148.55	-
Total	148.55	-
11 Other Current Liabilities		
Duties and Taxes	0.34	0.10
Total	0.34	0.10
	For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
12 Other Income		
Sundry Balances / Excess Provision Written Back	-	0.16
Interest Income on Income Tax Refund	16.43	0.23
Total	16.43	0.39
13 Employee Benefits Expense		
Salaries and Wages*	3.13	3.55
Total	3.13	3.55

*Salaries and Wages of ₹ 1.63 Lakhs (31-March-20 ₹ 1.75 Lakhs) reimbursable to Holding Company Macrotech Developers Ltd.

Notes to Financial Statement for the year ended 31st March, 2021

	For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
14 Other Expenses		
Rates and Taxes	4.36	4.46
Printing and Stationery	0.03	0.20
Postage / Telephone / Internet	0.07	0.07
Legal and Professional	6.50	4.08
Payment to Auditors as:		
Audit Fees	0.40	0.40
Other Services	0.10	0.10
Advertising Expenses	0.90	0.87
Miscellaneous Expenses	0.24	0.21
Total	12.60	10.39
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:		
Current Income Tax	(0.11)	-
Adjustments in respect of current Income Tax of previous year	17.55	-
Total	17.44	-
Income Tax Expense reported in the Statement of Profit or Loss	17.44	-
b. Reconciliation of tax expense and the accounting profit multiplied by India's tax rates :		
Accounting Profit / (Loss) before Tax	0.70	(13.55)
Income tax expense calculated at corporate tax rate	(0.18)	3.41
Tax effect of adjustment to reconcile expected income tax expense to reported Income Tax expense:		
Deductible expenses for tax purposes:		
Other deductible Expenses	0.07	-
Non-deductible expenses for tax purposes:		
Permanent Differences	-	(3.41)
Adjustments in respect of current Income Tax of previous year	17.55	-
Total	17.44	-

Notes to Financial Statement for the year ended 31st March, 2021

- 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-21 ₹ in Lakhs	31-March-20 ₹ 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-21 ₹ in Lakhs	31-March-20 ₹ in Lakhs
Opening Balance	10.81	10.81
Closing Balance	10.81	10.81

16 Category wise classification of Financial Instruments

	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
Financial Assets carried at Amortised Cost		
Cash and Cash Equivalents	5.03	1.03
Bank Balances other than Cash and Cash Equivalents	0.10	-
	5.13	1.03
Financial Liabilities carried at Amortised Cost		
Borrowings	456.81	449.43
Trade Payables	2.44	0.46
Other Financial Liabilities	0.68	0.40
	459.93	450.29

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.

Notes to Financial Statement for the year ended 31st March, 2021

(ii) Fair Value Measurement of Financial Instruments

When the fair values of financial 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.

18 Commitments and contingencies

A. Contingent liabilities

Claims against the company not acknowledged as debts	As at 31-March-21 ₹ in lakhs	As at 31-March-20 ₹ in lakhs
Disputed Taxation Matters	-	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.

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)

I Person having Control or joint control or significant influence

- 1 Mangal Prabhat Lodha (upto 24-July-20)
- 2 Abhishek Lodha

II Close family members of person having Control

- 1 Mangal Prabhat Lodha (w.e.f. 24-July-20)
- 2 Manjula Lodha
- 3 Vinti Lodha

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.

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2021

VI Key Management Personnel

- 1 Nilesh Rawat - Managing Director
- 2 Sanjyot Rangnekar- Director
- 3 Purnima Pavle- Chief Financial Officer (upto 8-May-19)
- 4 Mayank Jain - Chief Financial Officer (upto 21-Feb-20)
- 5 Pravin Kumar Kabra - Chief Financial Officer (w.e.f. 8-June-20)
- 6 Prakash Vaghela
- 7 Mayank Padiya
- 8 Manoj Vaishya (upto 10-June-19)

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	Subsidiary of Holding Company	Holding Company
1	Loans taken	31-March-21	456.81	-
		31-March-20	449.43	-
2	Other Financial Liabilities	31-March-21	-	0.68
		31-March-20	-	0.40

(ii) Disclosure in respect of transactions with parties:

₹ in Lakhs

Sr No	Nature of Transactions	Particulars	Relationship	For the Year ended	
				31-March-21	31-March-20
1	Loans/ Advances Taken/(returned)(Net)	Palava Dwellers Pvt. Ltd.	Subsidiary of Holding Company	7.38	41.65
3	Salaries and Wages*	Macrotech Developers Ltd.	Holding Company	1.90	2.14

* Inclusive of taxes

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.

Notes to Financial Statement for the year ended 31st March, 2021

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.

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

ROSELABS FINANCE LIMITED

Notes to Financial Statement for the year ended 31st March, 2021

international banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

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-21				
Borrowings	456.81	-	-	456.81
Trade Payables	2.44	-	-	2.44
Other Financial Liabilities	0.68	-	-	0.68
	459.93	-	-	459.93
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

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-21	For the Year ended 31-March-20
(a) Net Loss for the year	₹ in Lakhs	(257.27)	(13.55)
(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	(₹)	(2.57)	(0.14)

Notes to Financial Statement for the year ended 31st March, 2021**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-21, the Company has used cash from operations amounting ₹ 19.71 Lakhs and has negative net worth of ₹ 588.32 Lakhs as at 31-March-21.

The Company has secured continued financial support from its parent company namely Macrotech Developers Limited, to meet its day to day cash requirements and settle any liability, which may arise. Basis this, 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 using the going concern basis.

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-21.

- 27** 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. Meanwhile the Recovery officer of SEBI issued a notice of demand to recover the penalty of ₹ 253.73 lakhs along with the interest of ₹ 21.68 lakhs on 08-September-20. Accordingly, the Company has made provision of ₹ 275.41 lakhs, and the same has been disclosed as an Exceptional item in the financial statement. Further the company has deposited ₹ 126.86 lakhs with the SEBI as per SAT order dated 10-November-2020. The matter is pending before the SAT.

- 28** 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 MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W**

**Bhavik L. Shah
Partner
Membership No. 122071**

**Place : Mumbai
Date : 26-April-2021**

**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)**

if undelivered, please return to:
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N.M.Joshi Marg, Mahalaxmi,
Mumbai- 400011, India