

## CORPORATE INFORMATION

### Board of Directors

Name	Designation
Mr. Digambar Sudam Songhare	Managing Director
Mr. Ganesh Kumar SadanandPatlikadan	Executive Director &CEO
Mr. Shivaji Laxman Dabahane	Independent Director
Mr. Amardeep Bhau Mahadik	Independent Director upto 23 <sup>rd</sup> September, 2019
Mr. Shanataram Prahalad Badai	Executive Director Upto 24 <sup>th</sup> December, 2018
Ms. Sushama Sampat Nevase	Independent Director Upto 5 <sup>th</sup> December, 2018
Mr. Ashis Satpathy	Independent Director Upto 24 <sup>th</sup> December, 2018
Mr. Zeshan Ali Sayed	Independent Director Upto 16 <sup>th</sup> July, 2018

### Compliance Office & Company Secretary

Ms. Akanksha Rai  
Company Secretary (From 1<sup>st</sup> September, 2018)

### Statutory Auditors

M/S. NGST & Associates,  
Chartered Accountant  
Mumbai

### Banker of Company

Bank of Maharashtra, Mumbai  
Vijaya Bank, Mumbai

### Registered & Corporate office

1<sup>st</sup> floor, aslam compound, shree nagar, behind boghul house, sakinaka, mumbai-400072.

### Registrar & Share Transfer Agent

Karvy Fintech Pvt. Ltd.  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District  
Nanakramguda, Hyderabad 500 032 India

Equity Shares ISIN code- INE424Z01011  
Listed on Stock Exchange - BSE SME plate form

**NOTICE IS HEREBY GIVEN THAT THE FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF MILESTONE FURNITURE LIMITED WILL BE HELD ON TUESDAY ON 31ST DECEMBER, 2019 AT 1ST FLOOR, ASLAM COMPOUND, SHREE NAGAR, BEHIND BOGHUL HOUSE, SAKINAKA, MUMBAI-400072, AT 05:00 P.M.**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Directors Report, Profit & Loss Account for the year ended March 31, 2019 and the Balance Sheet as on that date and the Reports of the Statutory Auditors thereon.
2. To appoint auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to provision of section 139 of the Companies Act 2013 (as amended or re enacted from time to time) read with rule no. 3 of the Companies ( Audit and Auditors) Rules 2014, M/s. NGST & Associates (F RN 1 35159 W), be and are hereby appointed as the Statutory Auditors of the Company and to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors of the Company, besides applicable tax and any other applicable levies and reimbursement of travelling, communication and out of pocket expenses, if any.”

3. To appoint a director in place of Mr. Digambar S. Songhare (06809398) who retires by rotation and being eligible, offers himself for re appointment.

**SPECIAL BUSINESS:**

4. **To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, not exceeding Rs. 100 crores.**

To consider and if thought fit to pass the following resolution with or without modification as a Special Resolution:

“**RESOLVED THAT** in supersession of all earlier resolutions passed on the matter and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), and the relevant regulations/directions as may be prescribed by the Reserve bank of India from time to time (including any amendment(s), modification(s) thereof) and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors or to such person/s or such committee (by whatever name called), as may be authorized by the Board in this regard, to borrow at any time or from time to time by obtaining loans, overdraft facilities, lines of credit, commercial papers, non- convertible debentures, convertible debentures, convertible loans, external commercial borrowings (loans/bonds), INR denominated offshore bonds or in any other forms from Banks, Financial Institutions, Insurance Companies, Mutual Funds or other Corporates or other eligible investors, including by way of availing credit limits through Non-Fund based limits i.e. Bank Guarantee, Letter of Credit, etc. or by any other means as deemed fit by it, against the security of term deposits, movables, immovable or such other assets as may be required or as unsecured, at any time or from time to time, any sum or sums of money(ies) which together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), exceeding the aggregate of paid-up share capital of the Company, its free reserves and Securities Premium, provided that the total amount so borrowed by the Board shall not at any time exceed Rs 100 crores (Rupees One Hundred Crores only).”

**RESOLVED FURTHER THAT** the Board of Directors or such person/s or such committee (by whatever name called), as may be authorized by the Board in this regards, be and are hereby authorized to arrange or settle the terms and

conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all other acts, deeds, matters and things as may be deemed necessary and incidental for giving effect to the above, including execution of all such documents, instruments and writings, as may be required.”

**5. To approve the power to create charge on the assets of the company to secure borrowings up to Rs. 100 Crores pursuant to section 180(1)(a) of the companies Act, 2013**

To consider and if thought fit to pass the following resolution with or without modification as a Special Resolution:

**"RESOLVED THAT** in super session of the earlier resolutions passed by the Company in this regard and subject to the approval of the members, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, rules made thereunder (including any statutory modification or re-enactment thereof) and other applicable provisions, if any, consent of the members be and is hereby accorded for creation of such mortgages, charges and hypothecations as may be necessary, in addition to the existing charges, mortgages and hypothecation created by the Company, on the moveable or immovable properties of the Company, both present and future, in such manner as the Board of Directors or to such person/s or such committee (by whatever name called), as may be authorized by the Board in this regards may deem fit, in favour of financial institutions, investment institutions, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the "Lending Agencies") and Trustees for the holders of debentures/bonds and/or other instruments to secure borrowings of the Company availed/to be availed by way of rupee term loans/INR denominated offshore bonds/foreign currency loans, debentures, bonds and other instruments, provided that the total amount of such loans/borrowings shall not exceed at any time Rs. 100 crores.”

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board or such person/s or such committee (by whatever name called), as may be authorized by the Board in this regards, be and are hereby authorized to finalize and settle and further to execute such documents/ deeds/ writings/ papers/ agreements as may be required and to do all such acts, deeds, matters and things, as they may, in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise with respect to creation of mortgage/ charge as aforesaid.”

**By Order of the Board of Directors  
For Milestone Furniture Limited**

**Digambar Sudam Songhare  
Managing Director  
DIN: 06 809398**

**Place: Mumbai  
Date: 5th December , 2019**

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as a Proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than ten percent (10%) of the total share capital of the Company. A Member holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as Proxy and such Proxy shall not act as a Proxy for any other Member.

The Proxy form is annexed with this Notice. The instrument appointing the Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, not less than 48 hours before the commencement of the Meeting.

Corporate Members intending to send their authorized representatives to attend the Annual General Meeting ("the Meeting") are requested to send to the Company a certified true copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.

During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member is entitled to inspect the Proxies lodged, at any time during the business hours of the Company, provided that not less than 3 days of notice in writing is given to the Company by such Member.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. The Members/Proxies are requested to bring the attendance slip duly filled in for attending the Meeting.
4. Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the Directors seeking Appointment/Re-appointment at the ensuing Annual General Meeting is annexed to this Notice.
5. The Register of Directors and Key Managerial Personnel and their Shareholding, the Register of Contracts or Arrangements in which Directors are interested will be available for inspection at the Meeting.
6. All the documents referred to in the Notice are annexed thereto including the Annual Report for the financial year 2018-19 and Notice of the 5th Annual General Meeting are open for inspection by the Members, without any fees, at the Registered Office at 1st Floor, Aslam Compound, Shree Nagar, Behind Boghul House, Chandivali Road, Sakinaka, Mumbai, MH-400072 of the Company between 11.00 a.m and 01.00 p.m. on all working days except Saturday up to the date of the Meeting and the same shall also be made available for inspection by Members at the Meeting.
7. Members holding shares in physical form are requested to approach Karvy Fintech Pvt Ltd, the Registrar and Share Transfer Agents of the Company situated at Karvy Selenium, Tower-B, Plot No. 31 & 32., Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, 500032, India for:
  - (a) intimating any change in their address and/or bank mandate;
  - (b) submitting requests for transfer, transmission, name change, split, consolidation, etc.;
  - (c) nominating any person to whom the shares shall vest in the event of death;

- (d) updating/registering their e-mail address for correspondence; and
  - (e) any other queries with respect to shares held by them.
8. Members holding shares in electronic form are hereby informed that the Company or its Registrar cannot act on any request received directly from them for any change of address and/or bank mandate or change in e-mail address. Such changes are to be intimated only to the Depository Participants of the Members.
  9. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company or Karvy Fintech Pvt Ltd for assistance in this regard.
  10. Members who have not registered their e-mail address for receiving all communications including Annual Report, Notices and Circulars, etc. from the Company electronically, are requested to register the same with their Depository Participants (for shares held in electronic form) and with Karvy Fintech Pvt Ltd, the Registrar and Share Transfer Agents of the Company (for shares held in physical form). Members, who have registered their e-mail address, are also entitled to receive such communication in physical form, upon request.
  11. The Register of Members and the Transfer Books of the Company will remain closed from 23rd December, 2019 to 31st December, 2019, both days inclusive.
  12. Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the e-voting facility shall be provided to shareholders in compliance with the conditions specified under Companies (Management and Administration) Rules, 2014, or amendments thereto. However, the Company, being listed on the SME platform of NSE, has been exempted from complying with e-voting requirements vide MCA Notification dated 19th March, 2015 by amendment in Rule 20 of the Companies (Management and Administration) Rules, 2014. Hence pursuant to the aforementioned notification, the e-voting facility has not been provided.
  13. The Annual Report for the financial year 2018-19 and Notice of the 5th Annual General Meeting, inter-alia, indicating the process and manner of voting along with Attendance Slip and Proxy Form are being sent in electronic mode to all the Members holding shares in dematerialized form and having their e-mail address registered with their Depository Participants and such other Members who have positively consented in writing to receive the same by electronic mode. Physical copies of the above mentioned documents are being sent to all other Members by the permitted mode. Members, who have received the above documents in electronic mode, are entitled to receive the same, free of cost, in physical form, upon making a request in this regard to Karvy Fintech Pvt Ltd, the Registrar and Share Transfer Agents of the Company or to the Company. The abovementioned documents are also available for download on the Company's website i.e. <http://www.milestonegroup.asia>.
  14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:****ITEM NO.3**

Mr. Digambar S. Songhare (06809398) is liable to retire by rotation at the ensuing Annual General Meeting of the Company. He being eligible, has offered himself for reappointment.

Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the Directors seeking Appointment/Re appointment in the Annual General Meeting:

<b>Name of the Director</b>	<b>Mr. Digambar S. Songhare</b>
<b>Director Identification Number</b>	06809398
<b>Date of Birth</b>	10/10/1982
<b>Date of Appointment</b>	March 12, 2014
<b>Qualifications</b>	Graduate
<b>Brief Resume of the Director</b>	Commerce Graduate, having 12 years of business experience in Material Management and Interior Design, manufacturing and marketing of Interior and Modular Furniture.
<b>Expertise in specific functional areas</b>	He has developed the skill and expertise in Space & work station Management, designing and innovation in Furniture used in Education.
<b>Other listed companies in which he/she holds Directorship</b>	Nil
<b>Chairperson/Member of Committee(s) of Board of Directors of the Company</b>	Nil
<b>Chairperson/Member of the Committee(s) of Board of Directors of other listed companies in which he/she is a Director</b>	Nil
<b>Shareholding in the Company (Equity)</b>	<b>32.27%</b>
<b>Disclosure of relationship with other Directors and Key Managerial Personnel</b>	<b>NA</b>

**ITEM NO.4**

**To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, not exceeding Rs. 100 crores.**

Considering the business plans and the growing fund requirements of the Company, it is proposed to increase the borrowing limit of the Company to INR 100 crores. The approval of the members is sought pursuant to Section 180(1)(c) of the Companies Act, 2013 and rules made thereunder.

The Board recommends the above special resolution for your approval.

No Director or any of the Key Managerial Personnel of the Company or their relatives are, directly or indirectly, concerned or interested in the Resolution.

**ITEM NO. 5**

**To approve the power to create charge on the assets of the company to secure borrowings up to Rs. 100 Crores pursuant to section 180(1)(a) of the companies Act, 2013**

As explained above consequent to increase in the borrowing limits of the Company it would be necessary to revise the approval for creation of charge on assets of the Company, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.

Creation of security on the assets of the Company which may mean or include whole or substantially the whole of undertaking of the Company requires consent of shareholders.

Accordingly, matter has been put forward for members' approval.

The Board recommends the above special resolution for your approval.

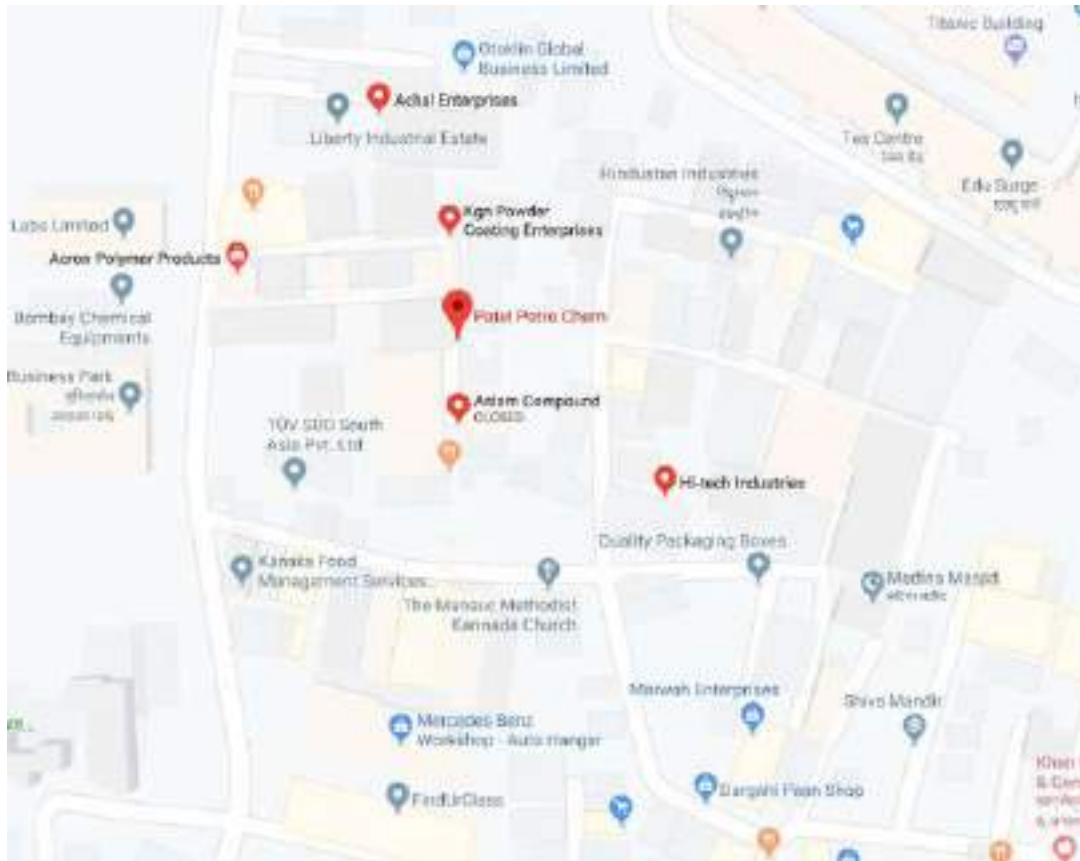
No Director or any of the Key Managerial Personnel of the Company or their relatives are, directly or indirectly, concerned or interested in the Resolution.

**By Order of the Board of Directors  
For Milestone Furniture Limited**

**Digambar Sudam Songhare  
Managing Director  
DIN: 06809398**

**Place: Mumbai  
Date: 5th December, 2019**

**Venue of 5<sup>th</sup> Annual General Meeting:**





**Form No. MGT-11**  
**Proxy Form**  
**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies**  
**(Management and Administration) Rules, 2014]**

CIN : U36912MH2014PLC254131  
Name of the Company : Milestone Furniture Ltd.  
Registered Office : 1st Floor, Aslam Compound, Shree Nagar, Sakinaka,  
Mumbai – 400072.

E-mail Id:  
Folio No./Client Id  
DP. Id:

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday the 31<sup>st</sup> day of December, 2019, at 1<sup>st</sup> Floor, Aslam Compound, Shree Nagar, Sakinaka, Mumbai-400072 at 3:00 pm and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1  
2  
3

Signed this        day of        2019

Affix Revenue Stamp
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Signature of shareholder  
Signature of Proxy holders(s)

**Notes:**

- 1) This Form of the proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

- 2) A proxy need not be a member of the Company.
- 3) A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carry voting rights.
- 4) If a member holding more than 10% of the total share capital carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member.
- 5) In case of Joint holder, the vote of the senior who tender as vote, whether in person or by proxy, shall be accepted to the exclusion to the vote of other joint holders. Seniority shall be determined by the order in which the name stand in the register of members.
- 6) This is optional please put a tick mark (☑) in appropriate column against the resolution indicated above. In case of members wishes his/her vote to be used differently, he/she should indicate the number of shares under the columns "For", "Against". In case the members leave the column(s) blank, the proxy will be entitled to vote in the manner he/she thinks appropriate.

ATTENDANCE SLIP  
To be surrendered at the time of entry

Folio No./Client ID:.....  
No. of Shares: .....  
Name of Member/Proxy:.....

I hereby record my presence at the 5<sup>th</sup> Annual General Meeting of the Company on Tuesday, the 31<sup>st</sup> day of December 2019, at 1<sup>st</sup> Floor, Aslam Compound, Shree Nagar, Sakinaka, Mumbai-400072 at 03:00 pm

\_\_\_\_\_  
Member's/Proxy's Signature

Notes:

1. Please refer to the instructions printed under the Notes to the Notice of the 5<sup>th</sup> Annual General Meeting.
2. Shareholders/Proxy holders are requested to bring the attendance Slip with them when they come to the meeting.
3. No attendance slip will be issued at the time of meeting.
4. Shareholders who come to attend the meeting are requested to bring their copies of the Annual Report with them, as spare copies will not be available at the meeting.

## DIRECTORS' REPORT

To  
The Members  
Milestone Furniture Limited  
(Earlier known as Milestone Furniture Private Limited)

Your Directors are pleased to present their 5<sup>th</sup> Annual Report together with the audited accounts of the Company for the year ended as on March 31, 2019.

### **FINANCIAL HIGHLIGHTS:**

(in Rs.)

Particulars	Year ended March 31,2019	Year ended March 31, 2018
Total Income	8,15,67,605	25,39,13,044
Profit/ (Loss) before tax	13,15,288	1,48,71,627
Less: Taxation Expenses	3,93,746	32,86,063
Profit /(Loss) after tax	9,21,542	1,15,85,564
Balance of profit/ (loss) for earlier years	1,77,08,377	61,22,813
Balance carried forward	1,86,29,919	1,77,08,377

### **PERFORMANCE:**

The Total income of your Company is Rs. 8,15,67,605/- as against Rs. 25,39,13,044/- in the previous year 2017-18. The net profit after tax for the year under review is Rs. 9,21,542/- as against Rs. 1,15,85,564/- in the previous year 2017-18.

### **TRANSFER TO RESERVES.**

The Board of directors has not proposed transfer to any reserve in the current financial year.

### **DIVIDEND:**

With a view to conserve the resources your Directors do not recommend any dividend for the financial year 2018-2019.

### **SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES:**

The Company does not have any subsidiary, joint venture and associate company and therefore, disclosure in Form AOC-1 is not applicable.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT**

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and date of the report.

### **CHANGE IN THE NATURE OF BUSINESS:**

There has been no change in the nature of business of the Company during the year under review.

### **PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEE GIVEN, AND SECURITIES PROVIDED.**

In accordance with the provisions of Sections 134(3)(g) and 186(4) of the Companies Act, 2013, full particulars of loans given, investments made, guarantees given and securities provided, if any, have been disclosed in the financial statements.

### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered during the financial year were on arm's length basis and were in the ordinary course of business. There are no significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Accordingly, particulars of contracts or arrangements with related party referred to in section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 does not form part of the report.

### **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

During the financial year ended 31<sup>st</sup> March, 2019, there were no such material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **EXTRACTS OF ANNUAL RETURN:**

An extract of the Annual Return in Form MGT-9 is appended as an **Annexure A** to the Directors Report.

### **SHARE CAPITAL:**

During the financial year 2018-19, there was no change in the Authorized, Issued, Subscribed and Paid-up Share Capital of the Company. As on March 31, 2019, the Company was having Authorized Share Capital of Rs. 10,00,00,000/- comprising of 1,00,00,000 equity shares of Rs. 10/- each out of which Issued, Subscribed and Paid-up Share Capital was Rs. 9,29,70,000/- comprising of 92,97,000 equity shares of Rs. 10/- each.

### **ISSUE EQUITY SHARES AND OFFERED TO THE PUBLIC & LISTING:**

During the year under review, the Company has issued and made on allotment of equity shares to Public by Initial Public Offer of equity shares. Our Company has obtained the necessary listing permission from BSE Ltd. for listing of Equity Share on BSE-SME plate form.

Public Issue of 32,97,000 Equity Shares of Rs. 10/- each fully paid for cash at a price of Rs.45/- per equity share aggregating to Rs. 14,83,65,000/-. The Net issue will constitute 35.46% of the post issue paid up capital of the Company. Your Company has received good response from public.

The allotment of equity share was carried and approved by Stock Exchange on 23<sup>rd</sup> April, 2018 and listing of equity on BSE SME platform on 21<sup>st</sup> May, 2018.

All the new Equity Shares so allotted rank pari-passu in all respect with the existing Equity Shares.

### **USE OF PROCEEDS:**

The fund raised during the IPO will help your company to strengthen long term working capital. The proceeds from IPO have been utilised for the purpose of the objects as stated in the prospectus dated 23<sup>rd</sup> April, 2018 as follows:

<b>Particulars</b>	<b>Proposed amount as per prospectus Rs. In Lakhs</b>
To set up the manufacturing facility to make modular and innovative furniture with industrial premises.	906.85
Working capital requirement	350.00
General Corporate Expenses	176.80
To meet Public Issue Expenses	50.00
<b>Total</b>	<b>1483.65</b>

As per the prospectus the Company has raised fund through IPO the objects of raising this amount as mentioned in the prospectus was as mentioned above.

However, due to economic slowdown & change in demand pattern, Management has made change in business strategy after the consultation with Board and approval in Board Meeting. Management has decided to utilise the IPO proceed as suggested by Board members toward the repayment of Debts, Creditor Liabilities and for working capital for ongoing business and new products such as Curtain and Bed Lenin for E-commerce and corporate clients office Furnitures.

Management at the forthcoming Board Meeting and AGM shall take the necessary approval from the directors and shareholders. Post approval from Shareholders, Management shall intimate to stock exchange and ROC for the necessary changes. Management shall take necessary steps to ensure that effect of the changed objects shall be reflected in the financial of the Company and wherever required.

#### **DEMATERIALIZATION OF SHARES:**

During the year under review, the Company has entered into Tripartite Agreement with the depositories, National Securities Depository and with Central Depository Service (India) Limited for providing demat facility to its Shareholders. For the purpose, the Company has appointed Karvy Fintech Private Limited.

#### **DIRECTORS AND KEY MANAGERIAL PERSONEL:**

The Directors on the Board have submitted notice of interest under Section 184(1), intimation under Section 164(2) of the Companies Act, 2013 and declaration as to compliance with the Code of Conduct of the Company. All Independent Directors have also given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Mr. Shantaram Prahalad Badai and Mr. Ashis Satpathy Independent Director of the Company have resigned from the post of Director w.e.f. 24<sup>th</sup> December, 2018.

Ms. Sushama Sampat Nevase has resigned from the post of Director w.e.f. 5<sup>th</sup> December, 2018.

Mr. Zeshan Ali Ramzan Ali Sayed has resigned from the post of Director w.e.f. 16<sup>th</sup> July, 2018.

Mr. Kamlesh Vyas has resigned from the post of Company Secretary and Compliance officer of the Company w.e.f. 16<sup>th</sup> July, 2018 and Mr. Dilip G. Rajgor has resigned from the post of Chief Financial Officer (CFO) of the Company w.e.f. 16<sup>th</sup> July, 2018.

Ms. Akanksha Rai has appointed as Company Secretary and Compliance Officer of the Company w.e.f. 01<sup>st</sup> September, 2018.

Mr. Amardeep Bhau Mahadik Independent Director of the Company, has resigned from the post of Director w.e.f. 23<sup>rd</sup> September, 2019.

In accordance with the provisions of the Companies Act, 2013, and the Articles of Association of the Company, Mr. Digambar Sudam Songhare retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

#### **MEETINGS OF THE BOARD:**

During the year ended March 31, 2018, the Board met 9 times. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 (the "Act"). Required quorum was present throughout each meeting as per the requirement of the said Act, the details of attendance of Directors are given below;

Sr. No.	Board Meeting Date	Attendance of Directors							
		Digambar S. Songhare	Ganesh Kumar Patlikadan	Shantaram Prahald Badai	Sushama Sampat Nevase	Shivaji Laxman Dabhane	Ashis Satpathy	Zeshan Ali Sayed	Amardeep B. Mahadik
1	23.04.2018	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	16.05.2018	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	16.07.2018	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	13.08.2018	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes
5	01.09.2018	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes
6	14.11.2018	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes
7	05.12.2018	Yes	Yes	NA	NA	Yes	Yes	NA	Yes
8	24.12.2018	Yes	Yes	NA	NA	Yes	NA	NA	Yes
9	25.03.2019	Yes	Yes	NA	NA	Yes	NA	NA	Yes

#### **MEETING OF INDEPENDENT DIRECTOR:**

The Meeting of the Independent Director held on 25<sup>th</sup> March, 2019.

#### **AUDIT COMMITTEE**

The audit committee of the Company is constituted under the provisions of section 177 of the Companies Act, 2013.

#### **Composition of the Committee:**

1. Mr. Shivaji Laxman Dabhane, Non-Executive, Independent Director (Chairman);
2. Mr. Ashis Satpathy, Non-Executive, Independent Director (Member) Upto 24<sup>th</sup> December, 2018 and
3. Mr. Digambar Sudam Songhare, Managing Director (Member)
4. Mr. Amardeep Bhau Mahadik from 24<sup>th</sup> December, 2018 (Member).



During the year under review, the Company held 4 Audit Committee meeting on 16<sup>th</sup> July, 2018, 14<sup>th</sup> November, 2018, 24<sup>th</sup> December, 2018 and 25<sup>th</sup> March, 2019.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of the Company is constituted under the provisions of section 178 of the Companies Act, 2013.

#### **Composition of the Committee:**

1. Mr. Ashis Satpathy, Non-Executive, Independent Director (Chairman) Upto 24<sup>th</sup> December, 2018;
2. Mr. Shivaji Laxman Dabhane, Non-Executive, Independent Director (Chairman) from 24<sup>th</sup> December, 2018; and
3. Mr. Amardeep Bhau Mahadik, Non-Executive, Independent Director (Member);
4. Mr. Digambar Sudam Songhare, Managing Director (Member) from 24<sup>th</sup> December 2018.

During the year under review, the Company held 4 Nomination and Remuneration Committee meeting on 16<sup>th</sup> July, 2018, 1<sup>st</sup> September, 2018, 5<sup>th</sup> December, 2018 and 24<sup>th</sup> December, 2018.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee of the Company is constituted under the provisions of section 178 of the Companies Act, 2013.

#### **Composition of the Committee:**

1. Mr. Shivaji Laxman Dabhane, Non-Executive, Independent Director (Chairman);
2. Mr. Zeshan Ali Sayed, Non-Executive, Independent Director (Member) upto 16<sup>th</sup> July, 2018; and
3. Mr. Digambar Sudam Songhare, Managing Director (Member);
4. Mr. Amardeep Bhau Mahadik, Non-Executive, Independent Director (Member).

During the year under review, the Company held 2 Stakeholders Relationship Committee meeting on 14<sup>th</sup> November, 2018 and 25<sup>th</sup> March, 2019.

#### **INTERNAL COMPLAINT COMMITTEE:**

The Internal Complaint Committee of the Company is constituted pursuant to the provision Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act") in the Board Meeting held on 20<sup>th</sup> February, 2018.

#### **Composition of the Committee:**

Name of the Director	Designation in the Committee
----------------------	------------------------------

Mrs. Sushma S. Nevase (upto 5 <sup>th</sup> December, 2018.	Presiding Officer
Mr. Ganesh Kumar Patlikadan (from 5 <sup>th</sup> December, 2018)	Presiding Officer
Mr. Dilip Rajgor upto 16 <sup>th</sup> July, 2018.	Member
Mr. Rahul Ashirwar	Member
Mr. Shivaji Laxman Dabahane (From 16 <sup>th</sup> July, 2018	Member

### **RISK MANAGEMENT POLICY**

The Board of Directors of the Company has in place a Risk Management which aims of enhancing shareholders' value and providing on optimum risk-reward trade off. The risk management approach is based on a clear understanding of the variety of risks that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

### **PERFORMANCE EVALUATION:**

The Board of Directors carried out an annual evaluation of the Board itself, its Committees and individual Directors. The entire Board carried out performance evaluation of each Independent Director excluding the Independent Director being evaluated. The Nomination Remuneration Committee also carried out evaluation of every director's performance.

The evaluation was done after taking into consideration inputs received from the Directors, setting out parameters of evaluation. Evaluation parameters of the Board and Committees were mainly based on Disclosure of Information, Key functions of the Board and Committees, Responsibilities of the Board and Committees, etc. Evaluation parameters of Individual Directors including the Chairman of the Board and Independent Directors were based on Knowledge to Perform the Role, Time and Level of Participation, Performance of Duties and Level of Oversight and Professional Conduct etc.

Independent Directors in their separate meeting evaluated the performance of Non-Independent Directors, Chairman of the Board and the Board as a whole.

### **CORPORATE GOVERNANCE:**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 exempts companies which have listed their specified securities on SME Exchange from compliance with corporate governance provisions.

Since the equity share capital of your Company is listed exclusively on the SME Platform of NSE, the Company is exempted from compliance with Corporate Governance requirements, and accordingly the reporting requirements like Corporate Governance Report, Business Responsibility Report etc. are not applicable to the Company.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis report has been separately furnished as **Annexure-B** in the Annual Report and forms a part of the Annual Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed and there are no material departures;
- b. They have 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 as on 31<sup>st</sup> March, 2019 and of the profit of the Company for that period;
- c. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. They have prepared the annual accounts on a going concern basis;
- e. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **INTERNAL FINANCIAL CONTROLS:**

The Board has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Statutory Auditors, Secretarial Auditors and External Consultants; reviews performed by the Management and relevant Board Committees including the Audit Committee, the Board is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2018-19.

## **INTERNAL CONTROL SYSTEMS:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE.**

Since the Company does not fall under the criteria stated under section 135 of the Act, the Company has not developed or implemented a policy for Corporate Social Responsibility. In view of the same no CSR initiative was undertaken by the company.

## **AUDITORS AND AUDITORS' REPORT:**

### **Statutory Auditors**

M/s. NGST & Associates and Associates (FRN: 135159W), Chartered Accountants, who are the statutory auditor of the Company, who holds office till the conclusion of the next AGM and are eligible for re-appointment. Pursuant to the provisions of section 139(1) of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. NGST and Associates (FRN: 135159W), Chartered Accountants as statutory auditor of the Company from the conclusion of the forthcoming AGM till the conclusion of the next Annual General Meeting. The Members are requested to consider their re-appointment.

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors' remarks in their report are self-explanatory and do not call for any further comments.

## **SECRETARIAL AUDIT:**

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Shivam Sharma & Associates, Company Secretaries, as Secretarial Auditors for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2019 is set out in **Annexure-C** to this Report.

The Secretarial Audit Report contain qualification are self-explanatory.

## **COST AUDITOR:**

As per provision of section 148(3) of Companies Act, 2013 and rule 6(2) of Companies (Cost records and audit) Rules, 2014, the Company is not required to appoint a cost auditor to audit the cost records of the Company.

## **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

In view of the nature of activities which are being carried out by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption respectively are not applicable to the Company.

## **FOREIGN EXCHANGE EARNING AND OUTGO:**

The foreign exchange earnings and outgo details are as below:

<b>Particulars</b>	<b>2018-19 (Rs.)</b>	<b>2017-18 (Rs.)</b>
Foreign exchange earned in terms of actual inflows	Nil	Nil
Foreign exchange outgo in terms of actual outflows	Nil	Nil

## **POLICIES AND DISCLOSURE REQUIREMENTS:**

In terms of provisions of the Companies Act, 2013 the Company has adopted following policies.

- Vigil Mechanism Policy
- Code for Independent Directors
- Nomination and Remuneration Policy
- Risk Management Policy
- Code of Conduct Director and Sr. Management
- Code of Conduct for prevention of Insider Trading
- Policy on Related Party Transactions

## **GENERAL:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transaction on these items during the year under review.

1. Details relating to Deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of equity shares (including sweat equity shares) and ESOS to employees of the Company under any scheme.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. There were no instance of non-exercising of voting rights in respect of shares purchased directly by the employees under a scheme pursuant to section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debenture) Rules, 2014 and hence no information has been furnished.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENTS:**

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year. Your Directors look forward to the continued support of all stakeholders in the future.

**By order of the board  
For Milestone Furniture Limited**

**Digambar Sudam Songhare  
Managing Director  
DIN: 06809398**

**Place: Mumbai  
Date: 05/12/2019**

**Annexure-A**

<b>FORM NO. MGT 9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on 31.03.2019</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014.</b>

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U36912MH2014PTC254131
ii	Registration Date	12/03/2014
iii	Name of the Company	MILESTONE FURNITURE LIMITED (Formerly Milestone Furniture Private Limited)
iv	Category/Sub-category of the Company	Company limited by shares / Indian Non-Government Company
v	Address of the Registered office & contact details	1 <sup>ST</sup> Floor, Aslam Compound Shree Nagar, Behind Boghul House, Chandivali Road, Sakinaka Mumbai Mumbai City Mh 400072
vi	Whether listed company	Yes BSE SME PLATFORM
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	<b>Karvy Computershare Private Limited</b> Add: Karvy Selenium Tower B, Plot 31-32, Financial District, Hyderabad – 500032

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Household furniture	99611410	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
Nil					







<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	-	-	-	-	<b>3297000</b>	-	<b>3297000</b>	<b>35.46</b>	<b>35.46</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>6000000</b>	<b>6000000</b>	<b>100</b>	<b>9297000</b>	-	<b>9297000</b>	<b>100</b>	-

**SHARE HOLDING OF PROMOTERS & ITS**

(ii) **GROUP**

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Digambar Sudam Songhare	2999975	50	-	2999975	32.27	-	-17.73
2	Ganesh Kumar Sadanand Patlikadan	2999975	50	-	2999975	32.27	-	-17.73
3	Ambili P.S. Ganesh Kumar	10	-	-	10	-	-	-
4	Shantaran Prahalad Badai	10	-	-	10	-	-	-
5	Satyabhama Sadanand	10	-	-	10	-	-	-
6	Sushma Sampat Navse	10	-	-	10	-	-	-
7	Priya Digambar Sudam Songhare	10	-	-	10	-	-	-
	<b>Total</b>	<b>6000000</b>	<b>100</b>	<b>-</b>	<b>6000000</b>	<b>64.54</b>	<b>-</b>	<b>-</b>

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING:**

Sl. No.	Digambar Sudam Songhare	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1					
	At the beginning of the year	2999975	50	2999975	50
	At the End of the Year	2999975	32.27	2999975	32.27

Sl. No.	Ganesh Kumar Sadanand Patlikadan	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
2					
	At the beginning of the year	2999975	50	2999975	50
	At the End of the Year	2999975	32.27	2999975	32.27

Sl. No.	Ambili P.S. Ganesh Kumar	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
3					
	At the beginning of the year	10	0	10	0
	At the End of the Year	10	0	10	0

Sl. No.	Shantaran Prahalad Badai	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
4					
	At the beginning of the year	10	0	10	0
	At the End of the Year	10	0	10	0

Sl. No.	Satyabhama Sadanand	Share holding at the beginning of the Year	Cumulative Share holding during the year
---------	---------------------	--	--

5		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	10	0	10	0
	At the End of the Year	10	0	10	0

6	Sushma Sampat Navse	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	10	0	10	0
	At the End of the Year	10	0	10	0

Sl. No.	Priya Digambar Sudam Songhare	Share holding at the beginning of the Year		Cumulative Share holding during the year	
7		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	10	0	10	0
	At the End of the Year	10	0	10	0

(iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):				
Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	ANJALEE EXIM PRIVATE LIMITED				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	441000	4.74	441000	4.74

	At the end of the year (or on the date of separation, if separated during the year)	441000	4.74	441000	4.74
2	MONARCH NETWORTH CAPITAL LIMITED				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	264000	2.84	264000	2.84
	At the end of the year (or on the date of separation, if separated during the year)	264000	2.84	264000	2.84
3	MONARCH NETWORTH FINSERVE PRIVATE LIMITED				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	249000	2.68	249000	2.68
	At the end of the year (or on the date of separation, if separated during the year)	249000	2.68	249000	2.68
4	SWETSAM STOCK HOLDING PRIVATE LIMITED				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	240000	2.58	240000	2.58
	At the end of the year (or on the date of separation, if separated during the year)	240000	2.58	240000	2.58
5	SUNIL RAY				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	237000	2.55	237000	2.55
	At the end of the year (or on the date of separation, if separated during the year)	237000	2.55	237000	2.55
6	ADIT JIGARBHAI SHAH				
	At the beginning of the year	-	-	-	-

	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	105000	1.13	105000	1.13
	At the end of the year (or on the date of separation, if separated during the year)	105000	1.13	105000	1.13
7	SHAH CHANDRIKA KIRANBHA				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	60000	0.65	60000	0.65
	At the end of the year (or on the date of separation, if separated during the year)	60000	0.65	60000	0.65
8	PATEL CHIRAG MANUBHAI (HUF)				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	57000	0.61	57000	0.61
	At the end of the year (or on the date of separation, if separated during the year)	57000	0.61	57000	0.61
9	CHIRANJIV CHIRAG PATEL (HUF)				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	57000	0.61	57000	0.61
	At the end of the year (or on the date of separation, if separated during the year)	57000	0.61	57000	0.61
10	NISHA HEMANTKUMAR SHAH				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	51000	0.55	51000	0.55
	At the end of the year (or on the date of separation, if separated during the year)	51000	0.55	51000	0.55

(v) **Shareholding of Directors & KMP  
For Each of the Directors &  
KMP**

Sl. No.	Digambar Sudam Songhare	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1					
	At the beginning of the year	2999975	50	2999975	50
	At the End of the Year	2999975	32.27	2999975	32.27

Sl. No.	Ganesh Kumar Sadanand Patlikadan	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
2					
	At the beginning of the year	2999975	50	2999975	50
	At the End of the Year	2999975	32.27	2999975	32.27

**V INDEBTEDNESS:**

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

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4,95,56,716	85,64,422	-	
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
<b>Total (i+ii+iii)</b>	<b>4,95,56,716</b>	<b>85,64,422</b>	<b>-</b>	<b>5,81,21,138</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	
Reduction	4,95,56,716	48,16,401	-	
<b>Net Change</b>	<b>(4,95,56,716)</b>	<b>(48,16,401)</b>	<b>-</b>	<b>(5,43,73,117)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	37,48,021	-	
ii) Interest due but not paid	--	-	-	
iii) Interest accrued but not due	-	-	-	
<b>Total (i+ii+iii)</b>	<b>-</b>	<b>37,48,021</b>	<b>-</b>	<b>37,48,021</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole time director and/or Manager:**

<b>Sl.No</b>	<b>Particulars of Remuneration</b>	<b>Name of the MD/WTD/Manager</b>			<b>Total Amount</b>
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-		



	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-	-		
2	Stock option		-	-		
3	Sweat Equity		-	-		
4	Commission		-	-		
	as % of profit		-	-		
	others (specify)		-	-		
5	Others, please specify		-	-		
	<b>Total (A)</b>		-	-	-	-
	<b>Ceiling as per the Act</b>					

**Remuneration to other Directors:**

**B. N/A**

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

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
---------	-----------------------------	--------------------------

1	<b>Gross Salary</b>					<b>Total</b>
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.			-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			-	-	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			-	-	
2	Stock Option			-	-	
3	Sweat Equity			-	-	
4	Commission			-	-	
	as % of profit			-	-	
	others, specify			-	-	
5	Others, please specify			-	-	
	<b>Total</b>			-	-	-

VII **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: N.A**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

## **Annexure-B**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **INDUSTRY STRUCTURE AND DEVELOPMENT OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:-**

The Indian economy started the fiscal year 2018-19 with a healthy eight per cent growth in the June 2018 quarter, however India's real gross domestic product growth dropped to a five-year low of seven per cent in 2018-2019. The slowdown in the Indian economy emanated from sectors like housing, agriculture, auto, manufacturing and trade, and services etc.

The priority to revive economic growth against the persistent high fiscal deficit, flattening tax revenues, failure of business models in some of the sector such as infrastructure, agriculture are key challenges for the government.

Furniture Business recorded a growth of 12% in value terms over the previous year. This business focuses on 3 major verticals i.e. Moulded Furniture, Ready Furniture and Mattress, a combination which by itself is a unique business model leveraging the benefit of wide network of distributors and retailers spread across all the districts on a pan India basis. This helps the channel partners to source all type of Furniture requirements of their customers in the furniture domain from a single principal. This is in a way win win proposition for the channel partners as it provides sustainable growth and profitability and also helps them to build a lifelong customer base horizon as the products serve the customer's needs during each stage of their life cycle. The product portfolio which starts from the basic plastic chair/ plastic storage solution/ Dining Tables evolves further into all segments like bedroom, dining, living room, essentials and mattresses which are needed at different points during their aspirational home building journey. The company has also spread its product portfolio to serve the institutional segment especially in segments like office seating, desking and storage solutions. The product assortment covers both the large institutions and small office/home office's needs.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQAUCY**

The Company has adequate system of internal controls commensurate with its size and nature of business to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

Internal Audit Department along with the help of external professional agencies continuously monitor the effectiveness of the internal controls with an objective to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the internal control. Based on

their assessment, management is of the opinion that your Company maintained effective internal control over financial reporting.

### **Human Resources and Industrial Relations**

Your Company's industrial relations continued to be harmonious during the year under review.

### **Cautionary Statement**

The Management Discussions and Analysis Statement made above are on the basis of available data as well as certain assumptions as to the economic conditions, various factors affecting raw material prices, selling prices, trend and consumer demand and preference, governing and applicable laws and other economic and political factors.

The management cannot guarantee the accuracy of the assumptions and projected performance of the Company in future. It is therefore, cautioned that the actual results may differ from those expressed and implied therein.

## Annexure-C

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019**  
*[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,  
**Milestone Furniture Limited**  
1<sup>st</sup> Floor, Aslam Compound  
Shree Nagar, Behind Boghul House,  
Chandivali Road, Sakinaka Mumbai  
MH 400072.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Milestone Furniture 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 our 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 31<sup>st</sup> March, 2019 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 the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;(Not Applicable)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/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;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period)**

I have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations **(as mention in the Annexure - I)** to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

#### **I further report that:**

During the year under review, the Company has issued and made on allotment of equity shares to Public by Initial Public Offer of equity shares. The Company has obtained the necessary listing permission from Bombay Stock Exchange for listing of Equity Share on BSE-SME plate form.

Further during the year under review, the Company has made Public Issue of 32,97,000 Equity Shares of Rs. 10/- each fully paid for cash at a price of Rs.45/- per equity share aggregating to Rs. 14,83,65,000/-.

**I further report that:**

The Company has listed on SME platform of Bombay Stock Exchange on 21<sup>st</sup> May, 2018.

**I further report that:**

During the year under review, the Company has not complied the provisions of section 96 of the Companies Act, 2013 in proper manner.

**I further report that:**

During the year under review, status of the Company is change from unlisted to listed entity, however the CIN of the company still not update on the MAC portal.

**I further report that:**

During the year under review, the Company has not complied the few provisions of LODR regulation 2015.

**I further report that** during the year under review, The Company has not update the website.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The appointment and cessation of Key Managerial Persons were in compliance with the provisions of the Act.

However during the year under review, Mr. Zeshan Ali Ramzan Ali Sayed has resigned from the post of Director w.e.f. 16<sup>th</sup> July, 2018. Further Ms. Sushama Sampat Nevase has resigned from the post of Director w.e.f. 5<sup>th</sup> December, 2018 and Mr. Shantaram Prahalad Badai and Mr. Ashis Satpathy Independent Director of the Company have resigned from the post of Director w.e.f. 24<sup>th</sup> December, 2018.

And Mr. Kamlesh Vyas has resigned from the post of Company Secretary and Compliance officer of the Company w.e.f. 16<sup>th</sup> July, 2018 and Mr. Dilip G. Rajgor has resigned from the post of Chief Financial Officer (CFO) of the Company w.e.f. 16<sup>th</sup> July, 2018.

Further Ms. Akanksha Rai has appointed as Company Secretary and Compliance Officer of the Company w.e.f. 1<sup>st</sup> September, 2018.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and 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 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** the compliance by the Company for the applicable Financial Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, quarterly/half yearly financial results under Regulation 33 of SEBI (LODR) Regulations, 2015 and the annual financial statements has not been reviewed in this audit report, since the same have been subject to the statutory financial audit by other designated professionals. This report is to be read with our letter of even date which is annexed as ***Annexure II*** and forms an integral part of this report.

**For Shivam Sharma & Associates  
Company Secretaries**

**Shivam Sharma  
(Proprietor)  
M. No.: 35727, CP. No.: 16558  
UDIN: A035727A000360150  
Date: 05.12.2019  
Place: Mumbai**

## **Annexure - I**

**List of other applicable Acts, Laws and Regulations to the Company are as follows:-**

1. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
2. Acts as prescribed under Direct tax and Indirect Tax;
3. Acts as prescribed under Shop and Establishment Act of various local authorities.

To,  
The Members,  
**Milestone Furniture Limited**  
1<sup>st</sup> Floor, Aslam Compound  
Shree Nagar, Behind Boghul House,  
Chandivali Road, Sakinaka Mumbai  
MH 400072.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For Shivam Sharma & Associates**  
**Company Secretaries**

**Shivam Sharma**  
**(Proprietor)**  
**M. No.: 35727, CP. No.: 16558**  
**Date:**  
**Place: Mumbai**



**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF MILESTONE FURNITURE LIMITED**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **MILESTONE FURNITURE LIMITED** ('the company'), which comprise the balance sheet as at 31<sup>st</sup> March 2019, Cash Flow Statement and the statement of profit and loss for the year then ended, and 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019, and
- b) In case of Statement of Profit & Loss, of the profit for the year ended on that date.
- c) In case of Cash Flow Statement, of the 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 Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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**

Key audit matters are those matters that, in our professional judgment, were of most significance, in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We have determined that there are no key audit matters to communicate in our report.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, 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.

### **Responsibility of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and applications of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. That Board of Directors are also responsible for overseeing the company's financial reporting process.

### **AUDITOR'S RESPONSIBILITY**

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.

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism 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) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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.

**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 the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order.
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 and statement of profit and loss dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014
  - e. On the basis of the written representations received from the directors as on 31 March 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long term contract including derivative contract; as such the question of commenting on any material foreseeable losses thereon does not arise;
    - iii. There has not been any occasion in case of the Company during the year under report to transfer any sums to the investor education and protection fund. The question of delay in transferring such sums does not arise.

Place: Mumbai  
Date: 30<sup>th</sup> May 2019



For: NGST & Associates  
Chartered Accountants  
Firm registration number: 135159W

*Bhupendra S Gandhi*

Bhupendra S Gandhi  
Partner

Membership no.: 122296



**ANNEXURE – A TO THE AUDITORS' REPORT**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended 31<sup>st</sup> March, 2019, we report that:

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) According to the information and explanation given to us, all the fixed assets have been physically verified by the Management during the year along with technical expert but we cannot comment neither on any material discrepancies which were noticed on such verification nor we can comment on whether the same has been properly dealt with in books of accounts as records were not available for the verification.  
(c) There is no immovable property in the name of the company and therefore this clause is not applicable.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year.  
(b) As explained to us, there is no material discrepancy noticed on physical verification of inventory as compared to book records.
- iii. In our opinion and according to the information and explanation given to us the company has not granted any secured or unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore clause iii b and iii c are not applicable.
- iv. In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees and security, the provisions of section 185 and 186 of the Act, has been complied with.
- v. In our opinion and according to the information and explanation given to us by the management, the company has not accepted any deposit from the public and therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.
- vi. To the best of our knowledge and belief and according to the information and explanation given to us, no cost records are required to be maintained by the Company under the Companies (Cost Audit Rules), 2014.
- vii. a. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, value added tax, duty of customs, service tax, cess and other material statutory dues applicable to it.  
b. There were no material undisputed amounts payable in respect of provident fund, income tax, value added tax, duty of customs, service tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.  
c. According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, wealth tax, duty of excise, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions, banks, Public, the Company has not issued any debenture.





# NGST & Associates

## Chartered Accountants

- ix. The Company has raised money by way of initial public offer during the year. As per the information and explanation given to us by the management, the proceeds were partially applied for the purpose for which the money was raised and part of the money is still to be utilised.
- x. According to the information and explanations given to us, no material fraud by company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. This clause is not applicable since the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanation 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, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

Place: Mumbai  
Date: 30<sup>th</sup> May 2019



For: NGST & Associates  
Chartered Accountants  
Firm registration number: 135159W

*Bhupendra S Gandhi*

Bhupendra S Gandhi  
Partner

Membership no.: 122296



BALANCE SHEET AS ON MARCH 31, 2019

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1] Shareholder's Funds</b>			
a) Share Capital	1	9,29,70,000	6,00,00,000
b) Reserves and Surplus	2	19,71,50,873	9,36,88,377
		<u>29,01,20,873</u>	<u>15,36,88,377</u>
Share Application Money Pending Allotment		-	-
<b>2] Non-Current Liabilities</b>			
a) Long Term borrowings	3	37,48,021	85,64,422
b) Deferred Tax Liabilities (Net)		-	-
		<u>37,48,021</u>	<u>85,64,422</u>
<b>3] Current Liabilities</b>			
a) Trade Payables	4	1,24,51,000	85,93,399
b) Other current liabilities	5	1,19,525	34,24,020
c) Short term borrowing		-	4,95,56,716
c) Short term provisions		3,65,913	-
		<u>1,29,36,498</u>	<u>6,15,74,735</u>
<b>Total</b>		<u><u>30,68,05,392</u></u>	<u><u>22,38,27,534</u></u>
<b><u>ASSETS :</u></b>			
<b>1] Non - Current Assets</b>			
a) Fixed Assets			
(i) Tangible assets	6	4,56,99,483	4,91,86,688
(ii) Intangible assets		-	-
(iii) Capital Goods and Material - WIP		1,85,03,210	-
b) Long term loans and advances	7	5,00,35,500	5,00,35,500
c) Deferred tax assets		2,13,286	1,85,453
		<u>11,24,51,479</u>	<u>9,94,07,641</u>
<b>2] Current Assets</b>			
a) Inventories	8	4,60,94,753	4,77,29,092
b) Trade Receivables	9	5,33,77,703	5,75,05,359
c) Cash & Cash Equivalents	10	15,65,471	9,10,970
d) Short-term loans and advances	11	8,18,27,398	77,38,822
e) Other Current Assets		1,14,88,588	1,05,35,650
		<u>19,43,53,913</u>	<u>12,44,19,893</u>
<b>Total</b>		<u><u>30,68,05,392</u></u>	<u><u>22,38,27,534</u></u>

Notes forming part of financial statements

18-30

As per our report of even date attached

For NGST & Associates  
Chartered Accountants  
Firm Regn. No. 135159W

*Bhupendra S Gandhi*

Bhupendra S Gandhi  
Partner  
Mem. No. 122296



For and behalf of Board of Directors  
Milestone Furnitures Ltd.

*Ganesh Kumar*  
Director

*Songhkar*  
Director

MILESTONE FURNITURE LIMITED  
CIN - U 36912 MH 2014 PLC 25413

1st Floor, Aslam Compound Shree Nagar, Behind Boghul House, Chandivali Road, Sakinaka Mumbai.  
Maharashtra - 400072. India.

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 2019

(Amt in Rs.)

Particulars	Note	Year ended March 31, 2019 Audited	Year ended March 31, 2018 Audited
<b>REVENUE</b>			
a) Income from Operation	12	8,15,67,605	25,30,74,671
b) Other income	13	-	8,38,373
<b>Total Revenue</b>		<b>8,15,67,605</b>	<b>25,39,13,044</b>
<b>EXPENSES</b>			
a) Cost of Material Consumed	14	6,85,10,956	20,57,48,842
b) Employees Benefit Cost	15	25,82,143	91,12,439
c) Financial Costs	16	9,63,188	78,71,362
d) Depreciation and amortization expenses	6	34,87,205	43,31,291
e) Admn. & Selling Exp	17	47,08,825	1,19,77,483
<b>Total Expenses</b>		<b>8,02,52,317</b>	<b>23,90,41,417</b>
<b>Profit before extraordinary items and tax</b>		<b>13,15,288</b>	<b>1,48,71,627</b>
<b>Extraordinary Items</b>		-	-
<b>Profit before tax</b>		<b>13,15,288</b>	<b>1,48,71,627</b>
<b>Tax expense:</b>			
(i) Current tax		3,65,913	32,71,756
(ii) Deferred tax		27,833	14,305
<b>Profit for the period</b>		<b>9,21,542</b>	<b>1,15,85,564</b>
<b>Earning per equity share:</b>			
- Basic		0.10	3.86
- Diluted		0.10	3.86

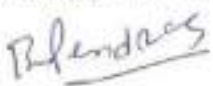
Notes forming part of financial statements

18-30

As per our report of even date attached

For NGST & Associates  
Chartered Accountants  
Firm Regn. No. 135159W

For and behalf of Board of Directors  
Milestone Furnitures Ltd.

  
Bhupendra S Gandhi  
Partner  
Mem. No. 122296



  
Director

  
Director

Place: Mumbai  
Date: 20/5/2019

**MILESTONE FURNITURE LTD**

Notes Forming Part of Financial Statements for the period ended 31/03/2019

Particulars	As at 31-Mar-19	As at 31-Mar-18
<b>Note 1 - Share Capital</b>		
<b>Authorized</b>		
1,00,00,000 (P.Y. 1,00,00,000) Equity shares of Rs. 10/- each)	10,00,00,000	10,00,00,000
<b>Total</b>	<b>10,00,00,000</b>	<b>10,00,00,000</b>
<b>Issued, Subscribed and Paid Up</b>		
92,97,000 (P.Y. 60,00,000) Equity shares of Rs. 10/- each)	9,29,70,000	6,00,00,000
<b>Total</b>	<b>9,29,70,000</b>	<b>6,00,00,000</b>
<b>Reconciliation of the Number of Shares</b>		
At the beginning of the year	60,00,000	30,00,000
Issued during the period - Fresh Allotment	32,97,000	30,00,000
<b>At the end of the year</b>	<b>92,97,000</b>	<b>60,00,000</b>
<b>Terms/rights attached to Equity shares</b>		
The Company has only one class of Equity shares having a par value of Rs 10 per share.		
All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting.		
In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts (if any). The distribution will be in proportion to the number of equity shares held by the shareholders.		
<b>Details of shareholding more than 5% shares in the Company</b>		
	<b>31/03/2019</b>	<b>31/03/2018</b>
	No. of Shares held	No. of Shares held
Digambar Sudam Songhare	29,99,975	29,99,975
Ganesh Kumar Sadanand Patlikadan	29,99,975	29,99,975
<b>Note 2 - Reserves and Surplus</b>		
<b>Securities Premium</b>		
Opening balance	7,59,80,000	39,80,000
Add: Addition during the year	11,53,95,000	7,20,00,000
Less: IPO expenses Set off	1,28,54,048	
	<b>17,85,20,954</b>	<b>7,59,80,000</b>
<b>Balance in Surplus</b>		
Opening Balance	1,77,08,377	61,22,813
Add: Profit for the year	9,21,542	1,15,85,964
Closing Balance	<b>1,86,29,919</b>	<b>1,77,08,377</b>
<b>Total</b>	<b>19,71,50,873</b>	<b>9,36,88,377</b>
<b>Note 3 - Long Term Borrowings</b>		
Unsecured Loan from NBFC's & others	37,48,021	85,64,422
	<b>37,48,021</b>	<b>85,64,422</b>
<b>Note 4 - Trade Payables</b>		
Due to MSME		
Due to other creditors	1,24,51,060	85,93,399
	<b>1,24,51,060</b>	<b>85,93,399</b>
<b>Note 5 - Other Current Liabilities</b>		
Advance from customers		
Other current liabilities	1,19,525	34,24,629
	<b>1,19,525</b>	<b>34,24,629</b>



**MILESTONE FURNITURE LTD**  
**Notes Forming Part of Financial Statements for the period ended 31/03/2019**

Particulars	As at 31-Mar-19	As at 31-Mar-18
<b>Note 7 - Long Term Loans and Advances</b>		
Security deposits	5,00,35,500	5,00,35,500
	<u>5,00,35,800</u>	<u>5,00,35,500</u>
<b>Note 8 - Inventories</b> (Valued at cost or market value, whichever is lower)		
Closing stock	4,60,94,753	4,77,29,092
	<u>4,60,94,753</u>	<u>4,77,29,092</u>
<b>Note 9 - Trade Receivables</b> (Unsecured, Considered Good)		
Outstanding for a period exceeding six months	55,53,356	87,82,620
Others	4,77,24,347	4,87,22,739
	<u>5,33,77,703</u>	<u>5,75,05,359</u>
<b>Note 10 - Cash and Cash Equivalents</b>		
Cash in hand	14,82,891	7,88,282
Balance with Bank:	82,560	1,12,688
- In Current accounts	<u>15,65,471</u>	<u>9,10,970</u>
<b>Note 11 - Short term loans and advances</b>		
Advance recoverable in cash or kind for material and Capital Goods	8,15,75,727	77,38,822
Prepaid Insurance	1,48,571	-
	<u>8,18,27,388</u>	<u>77,38,822</u>
<b>Note 11 - Other current assets</b>		
Other current assets	1,14,88,588	1,05,35,550
	<u>1,14,88,588</u>	<u>1,05,35,550</u>



**ESTONE FURNITURE PVT LTD**  
**Notes Forming Part of Financial Statements for the year ended 31st March, 2019**

Particulars	Amount in INR	
	Year ended March 31, 2019	Year ended March 31, 2018
<b>Note 12 - Revenue from Operations</b>		
Sale of Goods		
Furniture, other Curtain & Fabric materials	8,15,67,605	25,01,36,281
Labour Charegs recd	-	29,38,390
	<b>8,15,67,605</b>	<b>25,30,74,671</b>
<b>Note 13 - Other Income</b>		
Discount received	-	8,38,373
	<b>-</b>	<b>8,38,373</b>
<b>Note 14 - Cost of Material Consumed</b>		
Opening stock	4,77,29,092	1,96,66,442
Add: Purchases	6,68,76,617	23,38,11,492
	<b>11,46,05,709</b>	<b>25,34,77,934</b>
Less: Closing stock	4,60,94,753	4,77,29,092
	<b>6,85,10,956</b>	<b>20,57,48,842</b>
<b>Note 15 - Employees Benefit Expenses</b>		
Salaries, wages and bonus	25,82,143	71,19,611
Director's remuneration	-	18,00,000
Staff welfare expenses	-	1,92,828
	<b>25,82,143</b>	<b>91,12,439</b>
<b>Note 16 - Financial Costs</b>		
Interest on loan	9,31,691	77,62,080
Bank charges	31,497	1,09,282
	<b>9,63,188</b>	<b>78,71,362</b>
<b>Note 17 - Other Expenses</b>		
Power and fuel	4,47,467	10,92,220
Legal & Professional charges	4,71,292	9,82,820
Travelling & Conveyance	-	4,95,840
Rent, rates and taxes	23,10,255	42,87,500
Repairs and maintainence	81,814	3,04,830
Sales promotion and advertisement expenses	4,37,840	19,89,282
Commission	46,258	9,09,393
Insurance	-	2,01,928
Auditors remuneration:		
- Statutory audit fees	1,25,000	1,25,000
Factory Expenses	76,293	2,94,840
Office & Admn. Exp.	7,12,606	12,93,830
	<b>47,08,825</b>	<b>1,19,77,483</b>



## Milestone Furniture Limited

### Notes to Financial Statements for the year ended March 31, 2019

#### NOTE 18: COMPANY INFORMATION

Milestone Furniture Limited ("the company") is engaged in manufacturing of home and office furniture and also engaged in home and office designing.

#### NOTE 19: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a) Method of Accounting

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounts) Rules, 2014 under section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

##### b) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

##### c) Income Recognition

- i. Sales are recognized, net of returns and trade discounts, on dispatch of goods to customers.
- ii. In appropriate circumstances, revenue (Income) is recognized when no significant uncertainty as to measurability or collectibles exists and in case of export benefits / incentives are accounted on accrual basis.
- iii. Interest income is recognized on time proportionate method.

##### d) Tangible assets and depreciation

- i. Fixed Assets are stated at cost net of taxes and includes amount added on revaluation less accumulated depreciation and impairment loss, if any. All cost is inclusive of freight, duties, (net of tax credits as applicable) levies and any directly attributable cost till commencement of commercial production.
- ii. Depreciation on fixed assets is provided on a pro-rata basis on the Written Down Value method over the useful life of the assets as prescribed in schedule II of the Companies Act, 2013.

##### e) Valuation of inventory

Inventories are valued at lower of cost or net realizable value, after providing for obsolescence and damages

##### f) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of fixed assets are capitalized as part of the cost of such assets for the period until the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred. A qualifying asset is one that takes substantial period of time to get ready for intended use.



## Milestone Furniture Limited

### Notes to Financial Statements for the year ended March 31, 2019

#### g) Taxes

- i. Current Tax has been provided as per the provisions of Income Tax Act, 1961.
- ii. Tax expense comprise of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- iii. Deferred Tax resulting from "timing differences" between book and tax profits is accounted for using the tax rates and laws that has been enacted or substantively enacted by the balance sheet date, to the extent that the timing differences are expected to crystallize as deferred tax charge / benefit in the statement of Profit and Loss and as deferred tax asset or liabilities in the Balance Sheet. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

#### h) Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent Liabilities are disclosed separately.

#### i) Impairment of Assets (AS-28)

At each balance sheet date, the Management reviews the carrying amounts of assets and goodwill included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets and goodwill is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the assets.

Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

#### ii) Earning Per Share

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

#### k) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statement and presents the cash flows by operating, investing and financing activities of the company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.



## Milestone Furniture Limited

### Notes to Financial Statements for the year ended March 31, 2019

#### NOTE 20: NOTES TO ACCOUNTS

##### Note 20.1:

There are no contingent liabilities.

##### Note 20.2:

#### **Segment Reporting**

The company operates in only one segment and therefore segment reporting is not applicable.

##### Note 20.3:

#### **Related parties' disclosure as per Accounting Standard 18:**

##### **[A] Key Management Personnel (KMP).**

Digambar Songhare	Managing Director
P. Ganesh Kumar	Director
Santaram Badai	Director

##### **[B] Information on related party transactions as required by accounting Standard-18 for the year ended 31<sup>st</sup> March 2019:**

Nature of transactions	Relationship	Amount in Rs.	
		2018-19	2017-18
<b>Remuneration</b>			
Digambar Sudam Songhare	Key management personnel	-	-
P.S. Ganeshkumar	Key management personnel	-	-
Santaram Badai	Key management personnel	-	-
<b>Rent Paid</b>			
Digambar Sudam Songhare	Key management personnel	-	-
P.S. Ganeshkumar	Key management personnel	-	-
<b>Lease Deposit</b>			
Digambar Sudam Songhare	Key management personnel	2,00,00,000	2,00,00,000
P.S. Ganeshkumar	Key management personnel	1,75,00,000	1,75,00,000

Note: - Related party relationship is as identified by the Company and relied upon by the Auditors.

##### Note 20.4:

Provision for employees benefits in the nature of gratuity and leave benefits has not been made.

##### Note 20.5:

In the opinion of the management, there is no impairment of assets in accordance with Accounting Standard (AS-28) as on Balance Sheet date.





## Milestone Furniture Limited

### Notes to Financial Statements for the year ended March 31, 2019

#### Note 20.6:

In the opinion of the Board and to the best of their knowledge the value of realization of current assets, loans & advances in the ordinary course of business, would not be less than the amount at which they are stated in the Balance Sheet.

#### Note 20.7:

##### SHARE CAPITAL:

##### ISSUE EQUITY SHARES AND OFFERED TO THE PUBLIC & LISTING:

During the year under review, the Company has issued and made on allotment of equity shares to Public by Initial Public Offer of equity shares. Our Company has obtained the necessary listing permission from Bombay Stock Exchange for listing of Equity Share on BSE SME platform.

Public Issue of 32,97,000 Equity Shares of Rs. 10/- each fully paid for cash at a price of Rs.45/- per equity share aggregating to Rs. 1483.65 lacs. The Net issue constituted 35.46% of the post issue paid up capital of the Company.

The allotment of equity share was carried and approved by Stock Exchange and listing of equity on BSE SME on 21th May, 2018.

All the new Equity Shares so allotted rank pari-passu in all respect with the existing Equity Shares.

##### USE OF PROCEEDS:

The fund raised during the IPO will help your company to strengthen long term working capital and Business expansion. Object of issue - the purpose of the objects as stated in the prospectus dated 23th April, 2018 was follows:

Particulars	Proposed Amount as per Prospectus Rs. In Lacs
To set up the manufacturing facility to make modular and innovative furniture with industrial premises	906.85
Working Capital Requirement	350.00
General Corporate Expenses	176.80
To meet Public Issue Expenses	50.00
<b>Total</b>	<b>1483.65</b>

As per the prospectus, the company has raised funds through IPO the objects of raising this amount as mentioned in the prospectus was as mentioned above.

However, due to economic slowdown & change in demand pattern, Management has made change in business strategy after the consultation with Board and approval in Board Meeting. Management has decided to utilised the IPO proceed as suggested by Board members towards the repayment of Debts, Creditors Liabilities and for working capital for ongoing business and new products such as Curtain & Bed Lenin for E commerce and corporate clients office Furnitures.

Management at the forthcoming Board Meeting and AGM shall take the necessary approval from the directors and shareholders. Post approval from shareholders, Management shall intimate to stock exchange & ROC for the



**Milestone Furniture Limited**

**Notes to Financial Statements for the year ended March 31, 2019**

necessary changes. Management shall take necessary steps to ensure that effect of the changed objects shall be reflected in the financials of the company & where ever required.

Note 20.8:

Previous year figures have been regrouped and reclassified to conform with current year's presentation and classification.

As per Annexed Report of Even Date

For NGST & Associates  
Chartered Accountants  
Firm Reg. No. 135159W

*Bhupendra Gandhi*

Bhupendra Gandhi  
Partner  
Mem. No. 122296



Place: Mumbai  
Dated:

For and on behalf of Board of Directors  
For MILESTONE FURNITURE LIMITED

*Digambar Songhare*  
Director

Digambar Songhare - Director  
For MILESTONE FURNITURE LIMITED

*P. S. Ganesh Kumar*  
Director  
P. S. Ganesh Kumar - Director