

BALANCE SHEET AS ON MARCH 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
<u>EQUITY AND LIABILITIES</u>		
1] Shareholder's Funds		
a] Share Capital	1 9,29,70,000	9,29,70,000
b] Reserves and Surplus	2 16,94,39,359	18,47,40,493
	26,24,09,359	27,77,10,493
	-	-
2] Non-Current Liabilities		
a] Long Term borrowings	3 27,70,798	15,46,620
b] Deferred Tax Liabilities (Net)	-	-
	27,70,798	15,46,620
3] Current Liabilities		
a] Trade Payables	4 16,52,394	16,80,839
b] Other current liabilities	5 24,998	24,998
c] Short term borrowing	-	-
c] Short term provisions	-	-
	16,77,392	17,05,837
Total	26,68,57,549	28,09,62,950
<u>ASSETS :</u>		
1] Non - Current Assets		
a] Fixed Assets	6	
(i) Tangible assets	3,87,34,078	4,03,37,128
(ii) Intangible assets	-	-
(iii) Capital Goods and Material - WIP	1,65,03,210	1,65,03,210
b] Long term loans and advances	7 5,00,35,500	5,00,35,500
c] Deferred tax assets	2,30,800	2,30,800
	10,55,03,588	10,71,06,638
2] Current Assets		
a] Inventories	8 2,50,14,952	3,75,14,952
b] Trade Receivables	9 4,48,24,391	4,48,24,391
c] Cash & Cash Equivalents	10 2,78,180	2,80,530
d] Short-term loans and advances	11 7,88,92,091	7,88,92,091
e] Other Current Assets	12 1,23,44,348	1,23,44,348
	16,13,53,962	17,38,56,312
Total	26,68,57,550	28,09,62,950
	1	0

Notes forming part of financial statements

As per our report of even date attached

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

Sd/-
Bhupendra Gandhi

Partner
Mem. No. - 122296
UDIN: 22122296AJFNQZ6317
Place: Mumbai
Date: 19/05/2022

For and behalf of Board of Directors
Milestone Furnitures Ltd.

Sd/- DIGAMBAR SUDAM SONGHARE

Sd/- VIVEK YOGESHWAR SONAR
Whole-Time
Managing Director Director
DIN- 06809398 DIN- 07735643

Sd/- TRIVENI RAJESH JADE CFO
Place: Mumbai PAN: ATQPJ9400Q
Date: 19/05/2022

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED MARCH 31, 2022

(Amt in Rs.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
REVENUE		
a) Income from Operation	12	22,33,599
b) Other income	13	-
Total Revenue	-	22,33,599
EXPENSES		
a) Cost of Material Consumed	14	1,06,65,426
b) Employees Benefit Cost	15	3,29,999
c) Financial Costs	16	26,304
d) Depreciation and amortization expenses	6	32,06,101
e) Other Expenses	17	5,47,442
Total Expenses	1,53,01,133	1,47,75,272
Profit before extraordinary items and tax	(1,53,01,133)	(1,25,41,673)
Extraordinary Items	-	-
Profit before tax	(1,53,01,133)	(1,25,41,673)
Tax expense:		
(i) Current tax	-	-
(ii) Deferred tax	-	-
Profit for the period	(1,53,01,133)	(1,25,41,673)
Earning per equity share:		
- Basic	(1.65)	(1.35)
- Diluted	(1.65)	(1.35)

Notes forming part of financial statements

As per our report of even date attached

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

Sd/-
Bhupendra Gandhi
Partner
Mem. No. - 122296
UDIN: 22122296AJFNQZ6317
Place: Mumbai
Date: 19/05/2022

For and behalf of Board of Directors
Milestone Furnitures Ltd.

Sd/-
DIGAMBAR SUDAM
SONGHARE
Managing Director
DIN- 06809398

Sd/-
VIVEK
YOGESHWAR
Director
DIN- 07735643

Sd/-
TRIVENI RAJESH
JADE
CFO
PAN: ATQPJ9400Q

Place: Mumbai
Date: 19/05/2022

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

		Current Year 31.03.2022	Previous Year 31.03.2021
A.	Cash flow from operating activities :		
	Net profit before tax	(1,53,01,133)	(1,25,41,673)
	Adjustment For :		
	Depreciation	16,03,050	32,06,101
	Interest	23,709	26,304
	Operating profit before working capital changes	(1,36,74,374)	(93,09,268)
	Adjustment For :		
	Trade & other receivables	-	27,11,127
	Other Business Advance		
	Inventories	1,25,00,000	78,25,400
	Trade and other payables	(28,445)	(10,66,965)
	Cash (used)/generated in/from operations	(12,02,819)	1,60,294
	Income tax paid	-	-
	Net cash used in operating activities - I	(12,02,819)	1,60,294
B.	Cash flow from investing activities :		
	Purchase of Fixed Assets	-	-
	Sale of Fixed Assets	-	-
	Purchase of Investments	-	-
	Net cash used in investing activities - II	-	-
C	Cash flow from financing activities		
	Proceeds from issue of equity shares	-	-
	(Repayment)/ proceed of/ from Proceeds from short term borrowings	12,24,178	-
	(Repayment)/ proceed of/ from long term borrowings	-	-
	Interest paid	(23,709)	(26,304)
	Net cash generated from financing activities - III	12,00,469	(26,304)
	Net increase in cash and cash equivalents	(2,350)	1,33,990
	Opening balance of cash & cash equivalents	2,80,530	1,46,540
	Closing balance of cash & cash equivalents	2,78,180	2,80,530

Notes:

- 1 Cash & cash equivalents represents cash and bank balances.
- 2 The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- 3 Proceeds from long term and short term borrowings are shown net of repayments.
- 4 Previous year's figures have been regrouped where necessary to conform to the year's classification.
- 5 Figures in brackets represents cash outflow.

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

Sd/-
Bhupendra Gandhi
Partner
Mem. No. - 122296
UDIN: 22122296AJFNQZ6317
Place: Mumbai
Date: 19/05/2022

For and behalf of Board of Directors
Milestone Furnitures Ltd.

Sd/-
DIGAMBAR SUDAM
SONGHARE
Managing Director
DIN- 06809398

Sd/-
VIVEK YOGESHWAR
SONAR
Whole-Time Director
DIN- 07735643

Sd/-
TRIVENI RAJESH
JADE
CFO
PAN: ATQPJ9400Q

Place: Mumbai
Date: 19/05/2022

MILESTONE FURNITURE LTD

Notes Forming Part of Financial Statements for the year ended 31st March, 2022

Particulars	As at 31-Mar-22	As at 31-Mar-21
Note 1 - Share Capital		
Authorised		
1,00,00,000 (P.Y. 1,00,00,000) Equity shares of Rs. 10/- each	10,00,00,000	10,00,00,000
Total	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid Up		
92,97,000 (P.Y. 92,97,000) Equity shares of Rs. 10/- each	9,29,70,000	9,29,70,000
Total	9,29,70,000	9,29,70,000
Reconciliation of the Number of Shares		
At the beginning of the year	92,97,000	92,97,000
Issued during the period - Fresh Allotment	-	
At the end of the year	92,97,000	92,97,000
Terms/rights attached to Equity shares		
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.		
Details of shareholding more than 5% shares in the Company		
	31 March 2022	31 March 2021
	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
Note 2 - Reserves and Surplus		
Securities Premium		
Opening balance	17,85,20,954	17,85,20,954
Add: Addition during the year	-	-
Less: IPO expenses Set off	-	-
	17,85,20,954	17,85,20,954
Balance in Surplus		
Opening Balance	62,19,539	1,87,61,212
Add: Profit for the year	(1,53,01,133)	(1,25,41,673)
Closing Balance	(90,81,595)	62,19,539
Total	16,94,39,359	18,47,40,493
Note 3 - Long Term Borrowings		
Unsecured Loan from NBFC's & others	15,46,620	15,46,620
Unsecured Loan	12,24,178	-
	27,70,798	15,46,620
Note 4 - Trade Payables		
Due to MSME	-	-
Due to other creditors	16,52,394	16,80,839
	16,52,394	16,80,839
Note 5 - Other Current Liabilities		
Advance from customers	-	-
Other current liabilities	24,998	24,998
	24,998	24,998
Note 7 - Long Term Loans and Advances		
Security deposits	5,00,35,500	5,00,35,500
	5,00,35,500	5,00,35,500

MILESTONE FURNITURE LTD

Notes Forming Part of Financial Statements for the year ended 31st March, 2022

Particulars	As at 31-Mar-22	As at 31-Mar-21
Note 8 - Inventories (Valued at cost or market value, whichever is lower)		
Closing stock	2,50,14,952	3,75,14,952
	2,50,14,952	3,75,14,952
Note 9 - Trade Receivables (Unsecured, Considered Good)		
Outstanding for a period exceeding six months	4,39,58,990	4,39,58,990
Others	8,65,401	8,65,401
	4,48,24,391	4,48,24,391
Note 10 - Cash and Cash Equivalents		
Cash in hand	2,78,180	2,78,180
Balance with Bank:		
- In Current accounts	-	2,350
	2,78,180	2,80,530
Note 11 - Short term loans and advances		
Other Advance	7,88,10,938	7,88,10,938
Balance with revenue authorities	81,153	81,153
Prepaid Insurance	-	-
	7,88,92,091	7,88,92,091
Note 12 - Other current assets		
Other current assets	1,23,44,348	1,23,44,348
	1,23,44,348	1,23,44,348

MILESTONE FURNITURE PVT LTD
Notes Forming Part of Financial Statements for the year ended 31st March, 2022

Particulars	Amount in INR	
	Year ended March 31, 2022	Year ended March 31, 2021
Note 12 - Revenue from Operations		
Sale of Goods		
Furniture, other Curtain & Fabric materials	-	22,33,599
Labour Charegs recd	-	-
	-	22,33,599
Note 13 - Other Income		
Discount received	-	-
	-	-
Note 14 - Cost of Material Consumed		
Opening stock	3,75,14,952	4,53,40,352
Add: Purchases	-	28,40,026
	3,75,14,952	4,81,80,378
Less: Closing stock	2,50,14,952	3,75,14,952
	1,25,00,000	1,06,65,426
Note 15 - Employees Benefit Expenses		
Salaries, wages and bonus	2,74,625	3,11,349
Director's remuneration	-	-
Staff welfare expenses	-	18,650
	2,74,625	3,29,999
Note 16 - Financial Costs		
Interest on loan	-	-
Bank charges	23,709	26,304
	23,709	26,304
Note 17 - Other Expenses		
Power and fuel	1,45,787	-
Legal & Professional charges	-	-
Travelling & Conveyance	-	1,00,471
Rent, rates and taxes	7,41,342	-
Repairs and maintainence	-	50,178
Sales promotion and advertisement expenses	-	-
Commission	-	2,38,000
Insurance	-	25,000
Auditors remuneration:		
- Statutory audit fees	-	-
Labour charges	-	29,350
Office & Admn. Exp.	12,620	1,04,443
	8,99,749	5,47,442

MILESTONE FURNITURES PVT LTD										
Notes Forming Part of Financial Statements for the period ended 31/03/2022										
Note 6										
Tangible assets										
	GROSS BLOCK				DEPRECIATION			NET BLOCK		
PARTICULARS	As on	Addition	Deletion	Total as on	As on	During	Deduction	Total as on	As on	As on
	1.4.2021			31.3.2022	1.4.2021	the Year		31.3.2022	31.3.2022	31.3.2021
Freehold Land	60,00,000	-	-	60,00,000	-	-	-	-	60,00,000	60,00,000
Furniture & Fixture	50,58,756	-	-	50,58,756	41,34,225	2,49,812	-	43,84,037	6,74,719	9,24,531
Office Equipments	34,77,511	-	-	34,77,511	32,98,503	34,003	-	33,32,506	1,45,005	1,79,008
Plant & Machinery	4,19,60,476	-	-	4,19,60,476	87,26,887	13,19,236	-	1,00,46,123	3,19,14,353	3,32,33,589
Computer	1,41,500	-	-	1,41,500	1,41,500	-	-	1,41,500	-	-
Total	5,66,38,243	-	-	5,66,38,243	1,63,01,115	16,03,050	-	1,79,04,165	3,87,34,078	4,03,37,128
Capital Work In Progress	-	-	-	-	-	-	-	-	1,65,03,210	1,65,03,210
Total	5,66,38,243	-	-	5,66,38,243	1,63,01,115	16,03,050	-	1,79,04,165	5,52,37,288	5,68,40,338

Milestone Furniture Limited

Notes to Financial Statements for the year ended March 31, 2022

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, 2022

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.

j) 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, 2022

NOTE 20: NOTES TO ACCOUNTS

Note 20.1:

Income tax assessment for AY 2018-19 was completed in September 2021 by making total addition of Rs. 10,20,00,000/- on account of share premium money received by company for shares allotted to the promoters during FY 2017-18 (AY 2018-19) and tax demand of Rs. 11,15,08,459/- was raised on the company vide assessment order passed by Additional / Joint / Deputy / Assistant Commissioner of Income Tax/Income-tax Officer, National e-Assessment Centre, Delhi. The assessee is considering legal option to file appeal/ legally contest for high pitch assessment order passed and huge demand raised by Assessing officer without considering the submissions made the company.

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 Personal (KMP).

Digambar Songhare	Managing Director
P. Ganesh Kumar	Director

[B] Information on related party transactions as required by accounting Standard-18 for the year ended 31st March 2022:

Nature of transactions	Relationship	Amount in Rs.	
		2021-22	2020-21
Remuneration			
Digambar Sudam Songhare	Key management personnel	-	-
P.S. Ganeshkumar	Key management personnel	-	-
Santaram Badai	Key management personnel	-	-
Rent Paid			
Digambar Sudam Songhare	Key management personnel	-	-
P.S. Ganeshkumar	Key management personnel	-	-
Lease Deposit			
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
Loan Taken			
Digambar Sudam Songhare	Key management personnel	8,17,530	-

Milestone Furniture Limited

Notes to Financial Statements for the year ended March 31, 2022

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

Note 20.4:

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

Note 20.5:

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 20.6:

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**

For and on behalf of Board of Directors

**Sd/-
Bhupendra Gandhi**

**Digambar D. Songhare
Managing Director
DIN: 06809398**

**Vivek Y Sonar
WTD
DIN: 07735643**

**Partner
Mem. No. 122296
Place: Mumbai
Dated: 19th May 2022
UDIN: 22122296AJFNQZ6317**

**Triveni Rajesh Jade
CFO
Place: Mumbai
Dated: 19th May 2022**