

MILGREY FINANCE & INVESTMENTS LTD.

Regd. Office: 503, Centre Square, S. V. Road, Andheri (West), Mumbai-400058.

E-mail: milgreynance@gmail.com, milgrayfinance@gmail.com, ramnord@vsnl.com

Website: www.milgrey.in

Tel No: 022-26202230 CIN No.: L67120MH1983PLC030316

10th October, 2018

To,
Listing Compliances
BSE Limited
P.J. Towers,
Dalal Street, Fort,
Mumbai- 400001.

Scrip Id: ZMILGFIN
Scrip code: 511018

Subject: Submission of Annual Report for the Financial Year 2017-18.

Dear Sir/Madam,

Pursuant to regulation 34 (1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are herewith enclosing the Annual Report for the Financial Year ended March 31, 2018.

Kindly take the above on record.

Thanking you.

For Milgrey Finance & Investments Limited


Mitesh Jani
Director
DIN: 02474856



MILGREY FINANCE & INVESTMENTS LIMITED

Annual Report 2017-18

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|---------------------------|--|
| BOARD OF DIRECTORS | <p>Mr. Girdharilal Seksaria Non-Executive Director & Chairman</p> <p>Mr. Shyamsunder Harlalka Whole Time Director</p> <p>Mrs. Manju Joshi Non-Executive Director</p> <p>Mr. Narendra Sandesara Independent Director</p> <p>Mr. Bhagavatiprasad Joshi Independent Director</p> <p>Mr. Mitesh Jani Additional Executive Director</p> <p>Ms. Minakshi Singh Additional Independent Director</p> <p>Mr. Nirdesh Shah Additional Independent Director</p> <p>Mr. Mahendra Bachhawat Additional Executive and Managing Director</p> <p>Mr. Abhay Gupta Additional Non-Executive Director</p> |
| AUDITORS | <p>M/s Sunny Shah & Co. Chartered Accountants 5, Annie Villa Building, 141, West Gaothan, Vallabh Bhai Road, Opp. BMC Market, Vile Parle (West), Mumbai-400 056.</p> |
| BANKERS | <p>Bank of India M. G. Road, Fort, Mumbai-400001</p> <p>State Bank of India Shiv Sagar Estate Worli. Mumbai-400018</p> <p>ICICI Bank Shop No.1, Espee Tower, Dattapada Road, Borivali-East Mumbai-400066</p> |

| | |
|--|---|
| REGISTRAR AND SHARE TRANSFER AGENTS | Adroit Corporate Services Pvt. Ltd. 17 -20,Jafferbhoy Ind. Estate, 1 st Floor, Makwana Road, Moral Naka, Andheri East, Mumbai-400059 |
| REGISTERED OFFICE | 503, Centre Square, S. V. Road, Vile Parle (West), Mumbai-400058 |
| COMPANY SECRETARY | Ayushi Sharma Company Secretary and Compliance Officer |
| SECRETARIAL AUDITOR | M/s JCA & Co., Practicing Company Secretaries Office No. 10, Krishna Cottage CHS, Dattapada Road No-2, Borivali-East. Mumbai-400066 |
| INTERNAL AUDITOR | M/s. Mohandas & Co. 10, Krishna Cottage, Dattapada Road, 2, Dattapada Sub-way, Borivali (East), Mumbai- 400066 |

NOTICE

NOTICE is hereby given that the Annual General meeting of the members of Milgrey Finance & Investments Limited ("the Company") will be held on 28th September, 2018, at 12.00 noon at 503, Centre Square, S.V.Road, Vile Parle (West), Mumbai-400058, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements for the financial year ended 31st March, 2018 together with reports of the Directors and Auditors thereon.
2. To appoint a director in place of **Mrs. Manju Joshi**, who retires by rotation and, being eligible offers herself for re-appointment.
3. To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142, and other applicable provisions, if any, of the Companies Act, 2013 read with the underlying rules viz., Companies (Audit and Auditors) Rules, 2014 as may be applicable, pursuant to the recommendation of audit committee of the Board, appointment of **Sunny Shah & Co. Chartered Accountants**, be and is hereby ratified as Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the ensuing Annual General Meeting of the Company, at such remuneration plus service tax, out-of-pocket, travelling expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT any of the Director(s) of the Company be and hereby authorized to do all such act deeds and things which are necessary to give effect to the aforesaid resolution".

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161(1) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 including Schedule V of the Act as amended up-to-date and the Articles of Association of the Company, **Mr. Mahendra Bachhawat (DIN: 07547289)**, who was appointed as an Additional Executive and Managing Director and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as the Managing Director of the Company, for a period of five years with effect from 14th August, 2018, at a remuneration of Rs. 10,000/- (Rupees Ten Thousand only) per month.

RESOLVED FURTHER THAT in the event of inadequacy of profits for any financial year during the tenure of **Mr. Mahendra Bachhawat**, remuneration to be paid in accordance with the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed

thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.

RESOLVED FURTHER THAT subject to the provisions of the Companies Act, 2013 and the rules, circulars, orders and notifications issued there under (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and/or guidelines for managerial remuneration issued by the Government of India or other appropriate authority in that behalf as in force and as amended from time to time, the Board be and is hereby authorized to vary and alter the terms and conditions of the said appointment for increase or vary the remuneration to be paid and provided from time to time to **Mr. Mahendra Bachhawat**.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors or any Director or Officer to give effect to the resolution hereof.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Abhay Gupta (DIN: 02294699)**, who was appointed as an Additional Non-Executive Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and who has given his consent pursuant to the provisions of Section 152 (5) of the Companies Act, 2013, be and is hereby appointed as a Non- Executive Director of the Company, who is liable to retire by rotation.

RESOLVED FURTHER THAT any of the director of the Company be and is hereby authorized to do such acts deeds and matters as may be incidental or necessary, to give effect to the aforesaid resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Mitesh Jani (DIN: 02474856)**, who was appointed as an Additional Executive Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and who has given his consent pursuant to the provisions of Section 152 (5) of the Companies Act, 2013, be and is hereby appointed as an Executive Director of the Company, who is liable to retire by rotation.

RESOLVED FURTHER THAT any of the director of the Company be and is hereby authorized to do such acts deeds and matters as may be incidental or necessary, to give effect to the aforesaid resolution.”

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

"RESOLVED THAT pursuant to Sections 149,152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force)and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, **Mr. Nirdesh Shah (DIN: 08128204)**, who on recommendation of the Nomination and Remuneration committee was appointed as an Additional Independent Director pursuant to the provisions of Section 161(1) of the Companies Act,2013 and who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and has also given his consent pursuant to the provisions of Section 152 (5) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years w.e.f. 18th June, 2018, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any of the director of the Company be and is hereby authorized to do such acts deeds and matters as may be incidental or necessary, to give effect to the aforesaid resolution.”

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

"RESOLVED THAT pursuant to Sections 149,152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force)and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, **Ms. Minakshi Singh (DIN:07483620)**, who on recommendation of the Nomination and Remuneration committee was appointed as an Additional Independent Director pursuant to the provisions of Section 161(1) of the Companies Act,2013 and who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and has also given his consent pursuant to the provisions of Section 152 (5) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years w.e.f 18th June, 2018, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any of the director of the Company be and is hereby authorized to do such acts deeds and matters as may be incidental or necessary, to give effect to the aforesaid resolution.”

Explanatory Statement

The following Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 sets out all material facts relating to the business mentioned in item nos. 4 to 8 in the accompanying Notice of the Annual General Meeting.

Item No. 4

Based on the recommendations and approval of the Nomination and Remuneration Committee, the Board appointed **Mr. Mahendra Bacchawat (DIN: 07547289)** as an Additional Executive and Managing Director of the Company with effect from 14th August, 2018, pursuant to the provisions of Section 161(1), Section 196 and 203 of the Companies Act, 2013 and the Articles of Association of the Company and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof).

In terms of the provisions of Section 161(1) of the Act, Mr. Mahendra Bachhawat would hold office up to the date of the ensuing Annual General Meeting.

Mr. Mahendra Bachhawat is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Mr. Mahendra Bachhawat has over 35 years of experience as a Real Estate Consultant and is willing to provide his services as the Managing Director of the Company for a period of Five (5) Years, w.e.f. 14th August, 2018 at remuneration of Rs. 10,000/- per month.

Particulars of details of Mr. Mahendra Bachhawat, pursuant to the information as required under Schedule V of the Companies Act, 2013 including Secretarial Standard- 2 and SEBI (LODR) Regulations, 2015, as applicable, are stated in Annexure to the notice.

The resolution seeks the approval of shareholders for the appointment of Mr. Mahendra Bachhawat as the Managing Director of the Company for a period not exceeding 5 (five) years, w.e.f. 14th August, 2018, pursuant to Section 196 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof).

Except Mr. Mahendra Bachhawat, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no.4 of the Notice. A profile of Mr. Mahendra Bachhawat is set out herein below the notice.

Item No. 5

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, **Mr. Abhay Gupta (DIN: 02294699)** was appointed as an Additional Non-Executive Director of the Company with effect from 14th August, 2018. In terms of the provisions of Section 161(1) of the Act, Mr. Abhay Gupta, would hold office up to the date of the ensuing Annual General Meeting. Mr. Abhay Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Your directors have proposed the appointment of Mr. Abhay Gupta as a Non-Executive Director of the Company and a resolution to that effect has been set out as Item No. 5 of this Notice.

Except Mr. Abhay Gupta to whom the resolution relates none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice. A profile of Mr. Abhay Gupta is set out herein below the notice.

Item No. 6

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, **Mr. Mitesh Jani (DIN: 02474856)** was appointed as an Additional Executive Director of the Company with effect from 12th December, 2017. In terms of the provisions of Section 161(1) of the Act, Mr. Mitesh Jani, would hold office up to the date of the ensuing Annual General Meeting. Mr. Mitesh Jani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Your directors have proposed the appointment of Mr. Mitesh Jani as an Executive Director of the Company and a resolution to that effect has been set out as Item No. 6 of this Notice.

Except Mr. Mitesh Jani to whom the resolution relates none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the Notice. A profile of Mr. Mitesh Jani is set out herein below the notice.

Item No. 7

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, **Mr. Nirdesh Shah (DIN: 08128204)** was appointed as an Additional Independent Director of the Company with effect from 18th June, 2018.

In terms of the provisions of Section 161(1) of the Act, Mr. Nirdesh Shah, would hold office up to the date of the ensuing Annual General Meeting

The Board of Directors have hereby recommended to the shareholders that, Mr. Nirdesh Shah, be appointed as an Independent Director of the Company for a term of five years with effect from 18th June, 2018.

Mr. Nirdesh Shah is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has consented to act as Director of the Company. The Company has also received declaration from him that he meets the criteria of independence as prescribed both under Section 149 (6) of the Act and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 . In the opinion of the Board, he fulfills the conditions specified in the Act and the rules made thereunder and also under the SEBI LODR for appointment as Independent Director and is independent of the Management.

A profile of Mr. Nirdesh Shah is set out herein below the Notice. Except Mr. Nirdesh Shah none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution set out at item no.7 of the Notice.

Item No. 8

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, **Ms. Minakshi Singh (DIN: 07483620)** was appointed as an Additional Independent Director of the Company with effect from 18th June, 2018.

In terms of the provisions of Section 161(1) of the Act, Ms. Minakshi Singh, would hold office up to the date of the ensuing Annual General Meeting

The Board of Directors have hereby recommended to the shareholders that, Ms. Minakshi Singh, be appointed as an Independent Director of the Company for a term of five years with effect from 18th June, 2018.

Ms. Minakshi Singh is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has consented to act as Director of the Company. The Company has also received declaration from him that she meets the criteria of independence as prescribed both under Section 149 (6) of the Act and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 . In the opinion of the Board, she fulfills the conditions specified in the Act and the rules made thereunder and also under the SEBI LODR for appointment as Independent Director and is independent of the Management.

A profile of Ms. Minakshi Singh is set out herein below the Notice. Except Ms. Minakshi Singh none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution set out at item no. 8 of the Notice.

For and on behalf of the Board of Directors
Sd/-

Place: Mumbai
Date: 5th September, 2018

Mitesh Jani
(Director)
DIN: 02474856

Details of Director seeking appointment at the Annual General Meeting scheduled to be held on 28th September, 2018

| Name of Director | Mr. Mahendra Bachhawat | Mr. Abhay Gupta | Mr. Mitesh Jani | Mr. Nirdesh Shah | Ms. Minakshi Singh |
|---|-----------------------------------|-------------------------------|---------------------------------|-----------------------------------|-----------------------------|
| DIN | 07547289 | 02294699 | 02474856 | 08128204 | 07483620 |
| Date of Birth | 17 th January, 1960 | 30 th August, 1981 | 27 th October, 1978 | 10 th November, 1988 | 05 th June, 1980 |
| Date of Appointment | 14 th August, 2018 | 14 th August, 2018 | 12 th December, 2017 | 18 th June, 2018 | 18 th June, 2018 |
| Relationship with Directors | None | None | None | None | None |
| Expertise in specific functional areas | He has over 35 years of excellent | He has over 15 years of rich | Rich experience of 15 years | He has over 9 years of experience | She has good exposure |

| | | | | | |
|---|--|--|--|---|-------------------------------|
| | experience in Real Estate and has worked in various industries of repute | experience in the Capital Market field. | in the field of Commercial Market and Business Operations. | in the field of Accounts and Marketing | in the field of marketing |
| Qualification(s) | Bachelor's degree in Commerce | Commerce Graduate | Diploma in Electrical Engineering | Bachelor's degree in Accounts & Finance | Bachelor's degree in Commerce |
| Directorship held in other Listed Companies | None | Pro Fin Capital Services Limited | Iris Mediaworks Limited | None | None |
| Chairmanship/Membership of committees of other public companies | - | Member in Audit Committee and Stakeholders committee | - | - | - |
| Number of shares held in the Company as on 31st March, 2018 | Nil | Nil | Nil | Nil | Nil |

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 [INCLUDING SECRETARIAL STANDARD- 2 AND SEBI (LODR) REGULATIONS, 2015, AS APPLICABLE] IN RESPECT OF ITEM NO. 4 OF THE NOTICE:

I. GENERAL INFORMATION:

a. Nature of Industry:

Milgrey Finance & Investments Limited is engaged in the business of finance and investment into shares and securities.

b. Date or expected date of commencement of commercial production:

The Company is a going concern. However, it has not earned any revenues during the FY 2017-18.

c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

d. Financial performance based on given indicators:

| Particulars | Amt. in Rs. | | |
|----------------------|-------------|------------|------------|
| | 31.03.2018 | 31.03.2017 | 31.03.2016 |
| Total Income | - | - | 6628335 |
| Profit Before Tax | (915299) | (753659) | (1734604) |
| Net Profit after Tax | (915299) | (753659) | (1734604) |

e. Foreign investments or collaborations, if any: None.

II. INFORMATION ABOUT THE APPOINTEE:

a. Background Details:

Mr. Mahendra Kumar Bachhawat aged 58 years residing at G/1803, Octacrest, Akurli Road, Near Centrium Mall, Lokhandwala Township, Kandivali (East) Mumbai- 400101, has completed his Bachelor of Commerce (B.Com.) from Mumbai University in the year 1979. He has experience of more than 35 years as a Real Estate Consultant.

b. Past Remuneration:

NIL

c. Job Profile:

- Leading the company and ensuring all employees buy into the company vision.
- Setting the overall strategic direction of the company alongside the board.
- Planning and implementing long term business strategies to achieve the company's objectives.

d. Remuneration Proposed:

The remuneration proposed to be paid to Mr. Mahendra Bachhawat is provided in Item No. 4 of the Notice.

e. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).

The remuneration payable have been benchmarked with the remuneration being drawn by peers in similar capacity in Companies of comparable size and has been considered by the Nomination and Remuneration Committee of the Company. The profile of the Managing Director, his responsibilities, complex business operations, industry benchmark and size of the company justify the payment of said remuneration.

f. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr. Mahendra Bachhawat has no other pecuniary relationship with the company except to the extent of his remuneration and shareholding in the company.

NOTES:

- a) An Explanatory Statement pursuant to section 102 of the Companies Act, 2013, relating to Business to be transacted at the Meeting is annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as

proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other member. The instrument appointing the proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.

- c) Corporate Members intending to send their representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- d) Members holding shares in DEMAT form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
- e) Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Adroit Corporate Services Limited, the Registrar and Share Transfer Agent/ Secretarial Department of the Company immediately.
- f) The Register of Members and Share Transfer Books of the Company will remain closed from **22nd September, 2018 to 28th September, 2018 (both days inclusive)**.
- g) Pursuant to section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.
- h) The members, whose names appear in the Register of Members/list of Beneficial Owners as on **21st September, 2018** are entitled to vote, on the resolutions set forth in this Notice. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at **9.00 a.m. 25th September, 2018 and will end at 5.00 p.m. on 27th September, 2018**. The Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed **M/s. Mayank Arora & Co., Practicing Company Secretary**, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The members desiring to vote through remote e-voting are requested to refer the detailed procedure given hereinafter.
- i) Members may also note that AGM notice will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days.
- j) Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
- k) All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours on all working days except Saturdays and Sundays and public holidays, up to and including the date of the AGM of the Company.

INSTRUCTIONS/PROCEDURE FOR E- VOTING

VOTING THROUGH ELECTRONIC MEANS

- a) In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide to the members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM (“remote e-voting”) will be provided by Central Depository Securities Limited (CDSL).
- b) The voting period commences on **25th September, 2018 (09.00 a.m.) and ends on 27th September, 2018 (5.00 p.m.)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **21st September, 2018**, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting after 27th September, 2018 (5.00 p.m.). Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- c) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- d) Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting and that the members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- e) The process and manner for remote e-voting is as under:

In case of members receiving e-mail:

- i. Log on to the e-voting website www.evotingindia.com during the voting period.
- ii. Click on “Shareholders” Tab
- iii. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next, enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in DEMAT form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- vi. If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both DEMAT shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yy format) as recorded in your Demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company If both the details are not recorded with the depository or company. |

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in DEMAT form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant "Milgre Finance & Investments Limited" on which you choose to vote.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone**

Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xviii) above to cast a vote.

- f) A copy of the Notice has been placed on the website of the Company.
- g) The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- h) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed.

BOARD'S REPORT

To,
The Members of Milgrey Finance & Investments Limited

1. Report:

Your Directors have presented the 35th Annual Report together with the Audited Financial Statements for the year ended March 31, 2018.

2. Financial Highlights:

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

(As per IND AS)

(Amount in ₹)

| Particulars | Year ended March 31, 2018 | Year ended March 31, 2017 |
|--|------------------------------|------------------------------|
| Income from Operations | - | - |
| Profit before Interest, Depreciation, Exceptional Items, Other Income and Tax | (9,15,299) | (7,53,659) |
| Less: Finance Costs | - | - |
| Depreciation | - | - |
| Exceptional Items | - | - |
| Add: Other Income | - | - |
| Profit/(Loss)before Tax | (9,15,299) | (7,53,659) |
| Less: Tax Expense | - | - |
| Profit/(Loss)after tax | (9,15,299) | (7,53,659) |

3. Business Performance:

During the financial year 2017-18, the Company has not earned any revenue from operations.

4. Dividend:

Due to non-availability of surplus profit, your Company has not declared any dividend during the year under review.

5. Transfer to reserves:

The Company did not have any profits to be transferred to Reserves during the year under consideration.

6. Share capital:

Authorized Share Capital

The Authorized Share Capital of the Company as at March 31, 2018 was Rs. 25,00,000/- divided into 2,50,000 Equity Shares of Rs. 10/- each.

The Company has increased its Authorized Capital from Rs. 25,00,000/-divided into 2,50,000 Equity Shares of Rs. 10/- each to Rs. 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs. 10/- each by special resolution passed in the Extra Ordinary General Meeting of members held on 11th May, 2018.

Issued & Subscribed Share Capital

The Issued & Subscribed Capital of the Company as at March 31, 2018 was Rs. 24,00,000/- divided into 2,40,000 Equity Shares of Rs. 10/- each.

On April 11, 2018, the Board of Directors of the Company proposed the Preferential Allotment of 17,50,000 (Seventeen Lakhs Fifty Thousand) Equity Shares of Rs. 10.00/- (Rupees Ten Only) each at a price of Rs. 10.00/- (Rupees Ten Only) per equity share for consideration of Rs. 1,75,00,000/- (Rupees One Crore Seventy-Five Lakhs Only), in accordance with SEBI (ICDR) Regulations, 2009 and applicable provisions of Companies Act,2013. The said allotment was approved by the Shareholders in their Extra Ordinary General Meeting (EOGM) on 11th May, 2018. On receipt of the application and allotment money from the proposed allottees, the Board of Directors of the Company, allotted the said 17,50,000 Equity Shares to the allottees on 25th May, 2018.

Thus, as on the date of this report, the Issued & Subscribed Capital of the Company stands at Rs. 1,99,00,000 divided into 19,90,000 Equity Shares of Rs. 10/- each.

During the year under review, the Company has not issued any shares with differential voting rights. Further, it has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

7. Open Offer and Acquisition of Equity Shares of the Company and resultant change of promoters:

Mr. Mahendra Bachhawat (“the Acquirer”), along with PACs Mr. Abhay Gupta and Ms. Rashmi Shah had subscribed for 12,00,000 Equity shares in the preferential issue as stated above, aggregating to 60.30% of the Post Preferential Equity Share capital of the Company. As their aggregate post Preferential shareholding exceeded the threshold set out in Regulation 3(1) and 4 of SEBI (SAST) Regulations, 2011, and with their intention to acquire control over the Company, the Acquirer and PACs triggered Regulation 3(1) and 4 of SEBI SAST Regulations 2011 and made an open offer to the Shareholders of the Company.

Mr. Mahendra Bachhawat (“the Acquirer”), along with PACs Mr. Abhay Gupta and Ms. Rashmi Shah, acquired 78,050 fully paid up Equity Shares in the open offer process. The offer was completed on 1st August, 2018.

Mr. Mahendra Bachhawat (“the Acquirer”), along with PACs Mr. Abhay Gupta and Ms. Rashmi Shah’s total holding in the Company post open offer completion is 1278050 fully paid up Equity Shares aggregating to 64.22% of the share capital of the Company.

Consequent to the completion of open offer, there was a change in control and the management of the company pursuant to Regulation 31A(5) and other relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 and applicable provisions if any of the Companies Act, 2013. Mr. Mahendra Bachhawat (“the Acquirer”), along with PACs Mr. Abhay Gupta and Ms. Rashmi Shah, have become promoters of the Company and the existing promoters ceased to be the promoters and their remaining holding will be classified as public holding.

8. Directors and Key Managerial Personnel:

| Sr. No. | Name of Directors and KMP | Designation | Date of Appointment | Date of Resignation |
|---------|---------------------------|--|---------------------|---------------------|
| 1 | Shyamsunder Harlalka | Whole Time Director | 30-06-1983 | |
| 2 | Girdharilal Seksaria | Non-Executive Director & Chairman | 24-10-1989 | |
| 3 | Basudeo Seksaria | Non-Executive Director | 24-02-1990 | 15-01-2018 |
| 4 | Bhagvatiprasad Joshi | Independent Director | 24-09-2013 | |
| 5 | Narendra Sandesara | Independent Director | 24-09-2013 | |
| 6 | Manju Joshi | Non-Executive Director | 26-03-2015 | |
| 7 | Mitesh Jani | Additional Executive Director | 12-12-2017 | |
| 8 | Minakshi Singh | Additional Independent Director | 18-06-2018 | |
| 9 | Nirdesh Shah | Additional Independent Director | 18-06-2018 | |
| 10 | Mahendra Bacchawat | Additional Executive and Managing Director | 14-08-2018 | |
| 11 | Abhay Gupta | Additional Non-Executive Director | 14-08-2018 | |

9. Changes in directors:

Appointment during the Financial Year

During the Financial year 2017-18, Mr. Mitesh Jani, on recommendation of the Nomination & remuneration Committee, was appointed as an Additional Executive Director by the Board of Directors of the Company in their meeting held on 12th December, 2017. Subject to the approval of the Members in the ensuing Annual General Meeting, he would continue to act as an Executive Director of the Company.

Appointments after the end of Financial Year

Ms. Minakshi Singh and Mr. Nirdesh Shah, on the recommendation of the Nomination & Remuneration Committee, were appointed by the Board of Directors of the Company as Additional Independent Directors of the Company w.e.f. 18th June, 2018. Ms. Minakshi Singh and Mr. Nirdesh Shah, would hold office as an Independent Directors for a period of 5 Years w.e.f from 18th June, 2018, subject to approval of members in the ensuing Annual General Meeting of the Company.

Mr. Mahendra Bachhawat, on the recommendation of the Nomination & Remuneration Committee, has been appointed by the Board of Directors of the Company in their meeting held on 14th August,

2018 as an Additional Executive and Managing Director of the Company. Mr. Mahendra Bachhawat has an excellent experience in Real Estate and has worked in various industries of repute. The Board has recommended Mr. Mahendra Bachhawat's appointment as the Managing Director of the Company. Resolution to that effect forms part of the Notice of the ensuing Annual General Meeting. Once approved by the members, Mr. Mahendra Bachhawat would be designated as the Managing Director of the Company for the period of five years w.e.f. 14th August, 2018.

Mr. Abhay Gupta, on the recommendation of the Nomination & Remuneration Committee, has been appointed by the Board of Directors of the Company in their meeting held on 14th August, 2018 as an Additional Non-Executive Director of the Company. Mr. Abhay Gupta has over 15 years of rich experience in the Capital Market field. Subject to the approval of the Members in the ensuing Annual General Meeting, he would continue to act as a Non-Executive Director of the Company.

Resignation during the Financial Year

During the year under review Mr. Basudeo Seksaria, resigned from the Board of the Company w.e.f. 15th January, 2018. The Board places on record the valuable services rendered by Mr. Basudeo Seksaria during his tenure as the Director of the Company and expresses its deep sense of appreciation and gratitude for the same.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act read with Article 91 of the Articles of Association of the Company, Mrs. Manju Joshi will retire by rotation at the AGM and being eligible, has offered herself for re-appointment. Your Board has recommended her re-appointment.

10. Audit Committee:

This Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013.

During the year, the committee met on five occasions **30th May, 2017, 12th August, 2017, 26th August, 2017, 7th November, 2017 and 12th February, 2018.**

The composition of the Audit Committee as at **31st March, 2018** and details of the Members participation at the Meetings of the Committee are as under:

| Sr. No. | Name of Member | Designation | Attendance at committee meetings |
|----------------|--------------------------|--------------------|---|
| 1 | Mr. Narendra Sandesara | Chairman | 5/5 |
| 2 | Mr. Bhagvatiprasad Joshi | Member | 5/5 |
| 3 | Mr. Shyamsunder Harlalka | Member | 5/5 |

** Mr. Narendra Sandesara took the position of Chairman of the Committee w.e.f. 30th May, 2017. Mr. Shyamsunder Harlalka ceased to be the Chairman of the committee from the same date. However, he continued to act as the member of the Committee.*

Terms of reference:

- Oversight of the Company's financial reporting process and financial information submitted to the stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgments by the Management significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Discuss with the Statutory Auditors its judgment about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India [IGAAP).
- Review the investments made by the Company
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

Recommendations, if any, made by the Audit Committee were accepted by the Board.

11. Nomination & Remuneration Committee & Policy:

In compliance with section 178 of the Act the Board has constituted "Nomination and Remuneration Committee"

Terms of reference:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management, Employees based on certain criteria as approved by the Board.

During the year, the committee met on two occasions viz., **12th December, 2017 and 24th January, 2018**

The composition of the Nomination & Remuneration Committee as at 31st March, 2018 and details of the Members participation at the Meetings of the Committee are as under:

| Sr. No. | Name of Member | Designation | Attendance at committee meetings |
|---------|----------------------------|-------------|----------------------------------|
| 1 | Mr. Narendra Sandesara* | Chairman | 2/2 |
| 2 | Mr. Bhagvatiprasad Joshi | Member | 2/2 |
| 3 | Mr. Shyamsunder Harlalka* | Member | 0/2 |
| 4 | Mr. Girdharilal Seksaria** | Member | 1/2 |

* Mr. Shyamsunder Harlalka ceased to be the member of the Committee w.e.f. 12th December, 2017. Mr. Narendra Sandesara took the position of Chairman of the Committee w.e.f. 12th December, 2017

**Mr. Girdharilal Seksaria was appointed as the member of the committee w.e.f. 12th December, 2017

The Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and the Listing Regulations. The Policy can be viewed at Company website with the link as www.milgrey.in

12. Risk Management Committee:

Business Risk Evaluation and Management is an on-going process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;

- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

During the year, the committee met once on **26th August, 2017**

The composition of the Risk Management Committee as at 31st March, 2018 and details of the Members participation at the Meetings of the Committee are as under:

| Sr. No. | Name of Member | Designation | Attendance at committee meetings |
|----------------|--------------------------|--------------------|---|
| 1 | Mr. Shyamsunder Harlalka | Chairman | 1/1 |
| 2 | Mr. Bhagvatiprasad Joshi | Member | 1/1 |
| 3 | Mr. Narendra Sandesara | Member | 1/1 |

13.Stakeholders Relationship Committee:

The Committee monitors the Company's response to investor complaints. The Committee exercises the power to transfer of shares, non-receipt of dividend/notices/annual reports, etc. in accordance with the provisions of SEBI (LODR) Regulations, 2015.

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities; issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture.

During the year, the committee met on five occasions **30th May, 2017, 12th August, 2017, 26th August, 2017, 7th November, 2017 and 12th February, 2018.**

The composition of the Stakeholders Relationship Committee as at 31st March, 2018 and details of the Members participation at the Meetings of the Committee are as under:

| Sr. No. | Name of Member | Designation | Attendance at committee meetings |
|---------|--------------------------|-------------|----------------------------------|
| 1 | Mr. Narendra Sandesara | Chairman | 5/5 |
| 2 | Mr. Bhagvatiprasad Joshi | Member | 5/5 |
| 3 | Mr. Shyamsunder Harlalka | Member | 5/5 |

** Mr. Narendra Sandesara took the position of Chairman of the Committee w.e.f. 30th May, 2017. Mr. Shyamsunder Harlalka ceased to be the Chairman of the committee from the same date. However, he continued to act as the member of the Committee.*

During the year, no complaints were received from shareholders. The Company had no share transfers pending as on 31st March, 2018.

14.Human resource:

The Company has well documented and updated policies in place to prevent any kind of discrimination and harassment, including sexual harassment. The Whistle Blower Policy plays an important role as a watchdog.

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns.

There were no employees during the whole or part of the year who were in receipt of remuneration in excess of limits as covered under the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

15.Board meetings:

A calendar of Board Meetings to be held during the year was circulated in advance to the Directors. During the year Seven Board Meetings were convened and held on **30th May, 2017, 12th August, 2017, 26th August, 2017, 7th November, 2017, 12th December, 2017, 24th January, 2018 and 12th February, 2018**. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

| Sr. No. | Date of meeting | Total strength of Board | No. of Directors Present |
|---------|---------------------------------|-------------------------|--------------------------|
| 1 | 30 th May, 2017 | 6 | 6 |
| 2 | 12 th August, 2017 | 6 | 6 |
| 3 | 26 th August, 2017 | 6 | 6 |
| 4 | 7 th November, 2017 | 6 | 6 |
| 5 | 12 th December, 2017 | 6 | 6 |
| 6 | 24 th January, 2018 | 6 | 6 |
| 7 | 12 th February, 2018 | 6 | 6 |

16. Board evaluation:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees.

The Nomination and Remuneration has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Directors being evaluated.

17. Declaration by independent directors:

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

18. Independent Directors' Meeting:

During the year under review, Independent Directors met on **12th February, 2018**, inter-alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, quantity content and timelessness of flow of information between the management and the Board.

19. Subsidiaries, joint ventures and associate companies:

The company does not have any subsidiary/ Joint Ventures/ Associate Companies.

20. Auditors and their reports:

Statutory Auditor:

M/s. Sunny Shah & Co., Chartered Accountants, [FRN.140697W], have been appointed as Statutory Auditors of the Company till the conclusion of the Annual General Meeting of the Company to be held in the year 2023, subject to ratification of their re- appointment at every AGM by the Shareholders.

The audit committee of the Company has proposed and the Board of Directors of the Company has recommended the appointment of M/s. Sunny Shah & Co., Chartered Accountants, [FRN.140697W], as the Statutory Auditors of the Company for the FY 2018-19 as well.

There are no qualifications, reservations or adverse marks made by the Statutory Auditor in its report. The said report also forms a part of this Annual Report.

Secretarial Auditor:

As required under Section 204 of the Companies Act, 2013 and Rules there under, the Board had appointed **M/s JCA & Co., Practicing Company Secretaries**, as the Secretarial Auditor of the Company. Report of the Secretarial Auditor has been annexed as **Annexure 1** to this Report.

There are no qualifications, reservations or adverse marks made by the Secretarial Auditor in its report.

Internal Auditor:

Pursuant to Section 138 of the Companies Act, 2013 and Rules thereunder, the Board has appointed **M/s Mohandas & Co., Chartered Accountants**, as the Internal Auditor of the Company.

The Internal Auditor has not reported any qualification, reservation or adverse opinion during the period under review.

21.Management’s discussion and analysis report:

The Management Discussion and Analysis Report as required under the Listing Regulations forms part of the Annual Report.

22.Deposits:

We have not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

23.Policy against sexual harassment:

The Company has framed a policy on Sexual Harassment of Women at workplace which commits to provide a workplace that is free from all forms of discrimination, including sexual harassment. The Policy can be viewed at Company website with the link as www.milgrey.in

The Board of your Company has constituted an Internal Complaints Committee. There were no complaints reported during the period under consideration.

24.Vigil mechanism:

The Company has established vigil mechanism pursuant to Section 177 of the Act and the Listing Agreement for Directors and Employees to report their concerns and has also taken steps to safeguard any person using this mechanism from victimization and in appropriate and exceptional

cases. The said policy is uploaded on the Company's website and can be viewed at Company website with the link as www.milgrey.in

Provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases, has also be established.

During the year, there have been no complaints alleging child labour, forced labour, involuntary labour and discriminatory employment.

25.Code of conduct for prevention of insider trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made by insiders while trading in the securities of the Company. Details of dealing in the Company's shares by Designated Persons are placed before the Audit Committee on a quarterly basis. The Company has also adopted a Code of Corporate Disclosure Practices, for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information by the Company, to enable the investor community to take informed investment decisions with regard to the Company's shares

The policy is uploaded on the Company's website and can be viewed at the Company website at www.milgrey.in

26.Risk management:

Risk management comprises all the organizational rules and actions for early identification of risks in the course of doing business and the management of such risks.

Although not mandatory, as a measure of good governance, the Company has constituted a Risk Management Committee of the Board. The Committee reviews the Company's performance against identified risks, formulates strategies towards identifying new and emergent risks that may materially affect the Company's overall risk exposure and reviews the Risk Management Policy and structure.

This robust Risk Management framework seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. The Internal Audit Department is responsible for facilitating coordination with the heads of various Departments, with respect to the process of identifying key risks associated with the business, manner of handling risks, adequacy of mitigating factors and recommending corrective action.

The Company has adopted a Risk Management Policy pursuant to Section 134 of the Act. The Policy is also made available at the company's website at www.milgrey.in

27.Internal Control Systems And Adequacy:

The Company has appropriate internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations. It has documented policies and procedures covering financial and operating functions and processes.

These policies and procedures are updated from time to time and compliance is monitored by the internal audit function as per the audit plan. The Company continues its efforts to align all its processes and controls with best practices.

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Board's Report.

28. Transfer of Amounts to Investor Education and Protection Fund:

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as 31st March, 2018.

29. Corporate governance:

Pursuant to Regulation 15 of SEBI (LODR) Regulations, 2015, the compliance with the corporate governance provisions as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015, shall not apply, in respect of the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.

Thus, due to non-applicability, a separate report of Corporate Governance providing the disclosures as required under para C of Schedule V has not be provided in this Annual report.

30. Extract of the annual return:

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies [Management and Administration Rules, 2014, an extract of annual return in MGT 9 forms part of this Annual Report as **Annexure 2**.

31. Regulatory actions:

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

32. Material changes if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

Mr. Mahendra Bachhawat ("the Acquirer"), along with PACs Mr. Abhay Gupta and Ms. Rashmi Shah had subscribed for 12,00,000 Equity shares in the preferential issue as stated above, aggregating to 60.30% of the Post Preferential Equity Share capital of the Company. As their aggregate post Preferential shareholding exceeded the threshold set out in Regulation 3(1) and 4 of SEBI (SAST) Regulations, 2011, and with their intention to acquire control over the Company, the Acquirer and PACs triggered Regulation 3(1) and 4 of SEBI SAST Regulations 2011 and have made an open offer to the Shareholders of the Company.

Mr. Mahendra Bachhawat (“the Acquirer”), along with PACs Mr. Abhay Gupta and Ms. Rashmi Shah, acquired 78,050 fully paid up Equity Shares in the open offer process. The offer was completed on 1st August, 2018.

Mr. Mahendra Bachhawat (“the Acquirer”), along with PACs Mr. Abhay Gupta and Ms. Rashmi Shah’s total holding in the Company post open offer completion is 1278050 fully paid up Equity Shares aggregating to 64.22% of the share capital of the Company.

Consequent to the completion of open offer, there was a change in control and the management of the company pursuant to Regulation 31 A(5) and other relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 and applicable provisions if any of the Companies Act, 2013. Mr. Mahendra Bachhawat (“the Acquirer”), along with PACs Mr. Abhay Gupta and Ms. Rashmi Shah, have become promoters of the Company and the existing promoters ceased to be the promoters and their remaining holding will be classified as public holding.

33. Energy conservation, technology absorption and foreign exchange earnings and outgo:

a. Conservation of energy:

Particulars in respect of conservation of energy are NIL.

b. Technology absorption:

Particulars in respect of technology absorption are NIL.

c. Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo was NIL during the year.

34. Particulars of contracts or arrangements made with related parties:

All Related Party Transactions that were entered into during the financial year were on an arm’s length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant Related Party Transactions made by the Company during the year that would have required Shareholder approval under the Listing Regulations.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature, whenever required. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Further, as all the transactions with related parties have been conducted at an arms’ length basis and are in the ordinary course of business, there are no transactions to be reported in Form AOC-2 and as such do not form part of this report.

35.Details of loans, guarantees and investments u/s 186 of the Act:

Details of loans, guarantee or investments made by your Company under Section 186 of the Companies Act, 2013 during the financial year 2017-18 is appended in the notes to the Financial Statements that form part of this Annual Report.

36.Directors' Responsibility Statement:

In terms of the provisions of Companies Act, 2013, the Directors state that:

- In preparation of the annual accounts for the financial year ended 31stMarch, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies to the financial statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on 31stMarch, 2018 and of the profit of the Company for that period;
- The directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

37.Corporate Social Responsibility (CSR):

The companies on whom the provisions of the CSR shall be applicable are contained in Sub Section 1 of Section 135 of the Companies Act, 2013. As per the said section, the companies having Networth of INR 500 crore or more; or Turnover of INR 1000 crore or more; or Net Profit of INR 5 crore or more during any financial year shall be required to constitute a Corporate Social Responsibility Committee of the Board "hereinafter CSR Committee" with effect from 1st April, 2014.

As your Company does not fall in any of the criteria specifies above, the disclosure/reporting as applicable to CSR companies, is not applicable to the Company. However, the Company strives to make constant efforts to contribute to the Society by trying to achieve a balance of economic, environmental and social imperatives, while at the same time addressing the expectations of shareholders and stakeholders.

38.Listing at Stock Exchanges

Equity Shares of the Company are listed on BSE Limited under Scrip Code: 511018 and Scrip Id: ZMILGFIN

Secretarial Audit Report
FOR THE FINANCIAL YEAR ENDED 31st DAY OF MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014]

To,
The Members,
Milgrey Finance & Investments Limited
Plot No. 2, Prabhat Nagar,
Patel Estate Road, Jogeshwari West,
Mumbai-400102.

Dear Sir/Madam,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Milgrey Finance & Investments Limited (hereinafter called "the Company"). The Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, 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 31st March, 2018 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 31st March, 2018 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 and Overseas Direct Investment (not applicable to the Company during the Audit Period);
- V. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable as the Company has not issued any shares during the financial year under review**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 1999 - **Not applicable as the Company has not issued any shares to its Employees during the financial year under review;**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as the Company has not issued any debt securities;**
- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not delisted /propose to delist its equity shares from stock exchange during the financial year under review;**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back or proposed to buyback any of its securities during the financial year under review;**

VI. I, in consultation with the Company came to a conclusion that no specific laws were directly applicable with regard to business activities of the Company during the period under review.

I have also examined the compliance by the Company of the following statutory provisions/standards/regulations:

- a. The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. The Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- c. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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 and a Woman Director**. The changes in the composition of the Board of Directors that took place during the year under review are carried out in compliance with the provisions of the Act and SEBI (LODR) Regulations, 2015.

Adequate Notice is given to all Directors to schedule the Board Meetings. Agenda and detailed Notes on Agenda are sent at least seven days in advance, 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.

The compliance by the Company of the applicable financials laws, like Direct and Indirect Tax laws, has not been reviewed in this audit since the same have been subject to review by Statutory Auditors and other designated professionals.

Majority decision is carried through, while the dissenting members' views are captured as and when required are and recorded as part of the minutes.

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 as also represented by management.

**For M/s. JCA & Co.
Practicing Company Secretaries
Sd/-
Chirag Jain
Partner
Membership No: 30850
CP No.:13687**

**Place: Mumbai
Date: 03/09/2018**

Form No. MGT-9

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st March, 2018

I. REGISTRATION AND OTHER DETAILS:

| Sr. No. | Particulars | Details |
|---------|---|---|
| i. | CIN | L67120MH1983PLC030316 |
| ii. | Registration Date | 30 th June, 1983 |
| iii. | Name of The Company | Milgrey Finance & Investments Limited |
| iv. | Category/Sub-Category | Company limited by shares |
| v. | Address Of The Registered Office And Contact Details | Plot No. 2, Prabhat Nagar, Patel Estate Road, Jogeshwari West, Mumbai-400102 Phone: 022 26783323 Email: milgreyfinance@gmail.com milgrayfinance@gmail.com |
| vi. | Whether Listed | Yes |
| vii. | Name, Address And Contact Details Of The Registrar And Share Transfer Agent | Adroit Corporate Servcies Pvt. Ltd. 17-20, Jafferbhoy Ind. Estate, 1 st Floor, Makwana Road, Moral Naka, Andheri-East, Mumbai-400059 Phone: 022 - 42270400 Email: info@adroitcorporate.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

| Sr. No. | Name And Description Of Main Product/Services | NIC Code Of The Product/Service | % To The Total Turnover Of The Company |
|---------|---|---------------------------------|--|
| 1. | Other Financial Income | 649 | 100 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sr. No. | Name And Address Of The Company | CIN/GLN/ LLPIN | Holding/ Subsidiary /Associate | %of shares held | Applicable Section |
|---------|---------------------------------|----------------|--------------------------------|-----------------|--------------------|
| | None | | | | |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year 1 st April, 2017 | | | | No. of Shares held at the end of the year 31 st March, 2018 | | | | % Change during the year |
|--|---|--------------|---------------|-------------------|--|--------------|---------------|------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Share | |
| A. PROMOTERS | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| Individual/HUF | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Central Govt. or State Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Bodies Corporates | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Bank/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Directors/ Relatives | 150450 | 27150 | 177600 | 74.00 | 150450 | 27150 | 177600 | 74.00 | 0 |
| Any Other- Trust | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SUB TOTAL (A) (1) | 150450 | 27150 | 177600 | 74.00 | 150450 | 27150 | 177600 | 74.00 | 0 |
| (2) Foreign | | | | | | | | | |
| NRI- Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Other Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Bodies Corp. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Banks/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Any other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| SUB TOTAL (A) (2) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Total Shareholding of Promoter (A)= (A)(1)+(A)(2) | 150450 | 27150 | 177600 | 74.00 | 150450 | 27150 | 177600 | 74.00 | 0 |
| B. PUBLIC SHAREHOLDING | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| Mutual Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| Banks/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| Central govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| State Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| Venture Capital Fund | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| FIs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| Foreign Venture Capital | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |

| | | | | | | | | | |
|---|---------------|--------------|---------------|---------------|---------------|--------------|---------------|---------------|----------|
| Funds | | | | | | | | | |
| Others (Specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| SUB TOTAL (B)(1): | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| (2) Non Institutions | | | | | | | | | |
| Bodies corporates | | | | | | | | | |
| i) Indian | 6350 | 0 | 6350 | 2.65 | 0 | 0 | 0 | 0.00 | -2.65 |
| ii) Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakhs | 18100 | 37950 | 56050 | 23.35 | 16500 | 37950 | 54450 | 22.69 | -0.66 |
| ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| Others (specify) | 0 | 0 | 0 | 0.00 | 7950 | 0 | 7950 | 3.31 | 3.31 |
| SUB TOTAL (B)(2): | 24450 | 37950 | 62400 | 26.00 | 24450 | 37950 | 62400 | 26.00 | - |
| Total Public Shareholding (B)= (B)(1)+(B)(2) | 24450 | 37950 | 62400 | 26.00 | 24450 | 37950 | 62400 | 26.00 | - |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | - |
| Grand Total (A+B+C) | 174900 | 65100 | 240000 | 100.00 | 174900 | 65100 | 240000 | 100.00 | - |

ii. Shareholding of Promoters

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year 1 st April, 2017 | | | Shareholding at the end of the year 31 st March, 2018 | | | % change in shareholding during the year |
|---------|---------------------------|--|------------------------------|---|---|------------------------------|---|--|
| | | No. of Shares | % of total Shares of the co. | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the co. | %of Shares Pledged / encumbered to total shares | |
| 1. | Girdharilal Seksaria | 47550 | 19.81 | 0 | 47550 | 19.81 | 0 | 0 |
| 2. | Basudeo Seksaria | 16950 | 7.06 | 0 | 16950 | 7.06 | 0 | 0 |
| 3. | Shyamsunder Harlalka | 4450 | 1.85 | 0 | 4450 | 1.85 | 0 | 0 |
| 4. | Indumati Seksaria | 21450 | 8.94 | 0 | 21450 | 8.94 | 0 | 0 |
| 5. | Narbadadevi Seksaria | 5600 | 2.33 | 0 | 5600 | 2.33 | 0 | 0 |
| 6. | Niru Gupta | 5000 | 2.08 | 0 | 5000 | 2.08 | 0 | 0 |
| 7. | Manoj Kumar Seksaria | 10800 | 4.50 | 0 | 10800 | 4.50 | | |
| 8. | Girdharilal Seksaria(HUF) | 9800 | 4.08 | 0 | 9800 | 4.08 | 0 | 0 |
| 9. | Chandadevi Seksaria | 18300 | 7.62 | 0 | 18300 | 7.62 | 0 | 0 |
| 10. | Basudeo Seksaria (HUF) | 16550 | 6.90 | 0 | 16550 | 6.90 | 0 | 0 |
| 11. | Roopesh Kumar Seksaria | 20950 | 8.73 | 0 | 20950 | 8.73 | 0 | 0 |
| 12. | Sudhadevi Harlalka | 100 | 0.04 | 0 | 100 | 0.04 | 0 | 0 |
| 13. | Sangeeta Mor | 100 | 0.04 | 0 | 100 | 0.04 | 0 | 0 |

iii. Change in Promoters' Shareholding:

| Particulars | Shareholding at the beginning of the year 1 st April, 2017 | | Cumulative Shareholding during the year 31 st March, 2018 | |
|--|--|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease | There has been no change in shareholdings of the Promoter or Promoter Group. | | | |

iv. Shareholding Pattern of Top Ten shareholders (other than Directors, Promoters and Holders of GDR's and ADR's)

| Sr. No. | Names of the Shareholders | Shareholding at the beginning of the year 1 st April, 2017 | | Cumulative Shareholding at the end of the year 31 st March, 2018 | | Type |
|---------|---|---|------------------------------|---|------------------------------|------|
| | | No. of shares | % of total shares of the co. | No. of shares | % of total shares of the co. | |
| 1 | Asian Fintrade Services Private Limited | 6350 | 2.65 | | | |
| | 21/04/2017 | -50 | 0.02 | 6300 | 2.63 | Sell |
| | 03/11/2017 | 5000 | 2.08 | 11300 | 4.71 | Buy |
| | 30/03/2018 | -11300 | 4.71 | 0 | 0.00 | Sell |
| | 31/03/2018 | 0 | 0.00 | 0 | 0.00 | |
| 2 | B S Joshi | 7700 | 3.21 | | | |
| | 31/10/2017 | -5000 | 2.08 | 2700 | 1.13 | Sell |
| | 31/03/2018 | 0 | 0 | 2700 | 1.13 | |
| 3 | Puran Chand Choudhary | 100 | 0.04 | 100 | 0.04 | |
| | 30/03/2018 | 6300 | 2.63 | 6400 | 2.67 | Buy |
| | 31/03/2018 | 0 | 0 | 6400 | 2.67 | |
| 4 | Narendra Sandesara | 5250 | 2.19 | | | |
| | 31/03/2018 | 0 | 0 | 5250 | 2.19 | |
| 5 | Sanjay Rambrian Gupta | 0 | 0.00 | | | |
| | 30/03/2018 | 5000 | 2.08 | 5000 | 2.08 | Buy |
| | 31/03/2018 | 0 | 0 | 5000 | 2.08 | |
| 6 | Mayer Samson Solomon | 5000 | 2.08 | | | |
| | 31/03/2018 | 0 | 0.00 | 5000 | 2.08 | |
| 7 | Shrimatiben Master | 1250 | 0.52 | | | |
| | 31/03/2018 | 0 | 0.00 | 1250 | 0.52 | |
| 8 | Priscilla Mathews | 900 | 0.38 | | | |
| | 31/03/2018 | 0 | 0.00 | 900 | 0.38 | |
| 9 | Vinod Bhutra | 300 | 0.13 | | | |
| | 31/03/2018 | 0 | 0.00 | 300 | 0.13 | |
| 10 | Ramgopal Seksaria | 250 | 0.10 | | | |
| | 31/03/2018 | 0 | 0.00 | 250 | 0.10 | |

| | | | | | | |
|----|---------------------|-----|------|-----|------|--|
| 11 | Rajendra Kumar Jain | 250 | 0.10 | | | |
| | 31/03/2018 | 0 | 0.00 | 250 | 0.10 | |
| 12 | Dharma Matlani | 250 | 0.10 | | | |
| | 31/03/2018 | 0 | 0.00 | 250 | 0.10 | |

v. Shareholding of Directors and Key Managerial Personnel (KMPs):

| Sr. No. | Names of the Shareholders | Shareholding at the beginning of the year at 01 st April, 2017 | | Cumulative Shareholding at the end of the year 31 st March, 2018 | | Type |
|---|---------------------------|---|------------------------------|---|------------------------------|------|
| | | No. of shares | % of total shares of the co. | No. of shares | % of total shares of the co. | |
| There has been no change in shareholdings of the Directors and KMPs during the year under review. | | | | | | |

vi. Indebtedness

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| <u>Indebtedness at the beginning of the financial year:</u> | | | | |
| i) Principal Amount | 0 | 4330000 | 0 | 4330000 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 4330000 | 0 | 4330000 |
| <u>Change in Indebtedness during the financial year:</u> | | | | |
| - Addition | 0 | 825000 | 0 | 825000 |
| - Reduction | 0 | 0 | 0 | 0 |
| Net Change | 0 | 825000 | 0 | 825000 |
| <u>Indebtedness at the end of the financial year:</u> | | | | |
| i) Principal Amount | 0 | 5155000 | 0 | 5155000 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 5155000 | 0 | 5155000 |

vii. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole - time Directors and/ or Manager:

| Sr. No. | Particulars of Remuneration | Name of MD/WTD/ Manager/ CEO/ CFO | Total Amount |
|---------|--|---|--------------|
| 1. | Gross Salary: a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. b) Value of perquisites u/s 17(2) Income- tax Act, 1961. c) Profits in lieu of salary under section 17(3) Income – tax Act, 1961 | There was no remuneration paid to the Managing Director, Wholetime Director and/or Manager. | |
| 2. | Stock Option | | |
| 3. | Sweat Equity | | |
| 4. | Commission: - as% of profit - Others, specify... | | |
| 5. | Others, please specify | | |
| 6. | Total(A) | | |
| 7. | Ceiling as per the Act | | |

B. Remuneration to other directors:

| Sr. No. | Particulars of Remuneration | Name of the Director | Amount |
|---------|---|--|--------|
| 1. | <u>Independent Directors</u> ·Fee for attending board & committee meetings ·Commission ·Others, please specify | There was no remuneration paid to the other Directors i.e. Independent Directors and other Non-Executive Directors of the Company. | |
| 2. | Total(1) | | |
| 3. | <u>Other Non-Executive Directors</u> ·Fee for attending board & committee meetings ·Commission ·Others, please specify | | |
| 4. | Total(2) | | |
| 5. | Total(B)=(1+2) | | |
| 6. | Total Managerial Remuneration | | |
| 7. | Overall Ceiling as per the Act | | |

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

| Sr. no. | Particulars of Remuneration | Key Managerial Personnel | Total |
|---------|--|----------------------------------|-------|
| 1. | Gross Salary: a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. b) Value of perquisites u/s 17(2) Income- tax Act, 1961. c) Profits in lieu of salary under section 17(3) Income – tax Act, 1961 | Ayushi Sharma, Company Secretary | |
| | | 180000 | |
| | | - | |
| | | - | |

| | | |
|----|------------------------|---------------|
| 2. | Stock Option | - |
| 3. | Sweat Equity | - |
| 4. | Commission: | - |
| | - as % of profit | |
| 5. | Others, please specify | - |
| 6. | Total | 180000 |

V. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the companies Act | Brief description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority[RD /NCLT/Court] | Appeal made |
|-------------------------------------|--|-------------------|--|---------------------------|-------------|
| A. Company | | | | | |
| Penalty | The Company faced no penalty or prosecution or punishment under any provisions of Companies Act 2013 or rules made thereunder, during the year under consideration. | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | The Directors of your Company faced no penalty or prosecution or punishment under any provisions of Companies Act 2013 or rules made thereunder, during the year under consideration. | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other Officers In Default | | | | | |
| Penalty | None other Officers of your Company faced any penalty or prosecution or punishment under any provisions of Companies Act 2013 or rules made thereunder, during the year under consideration. | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

Place: Mumbai
Date: 5th September, 2018

For and on behalf of the Board of Directors
Sd/- Sd/-
Mitesh Jani Mahendra Bacchawat
(Director) (Director)
DIN: 02474856 DIN: 07547289

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economy in FY 17-18:

India's economic growth slowed for the fourth consecutive quarter in the three months ended March, mirroring the impact of demonetisation on key sectors including financial services. However, even as its negative impact was fading by the time 2017-18 began, the announcement of another reforms or "disruption" — the goods and services tax, which was to be implemented by July 1, 2017, shock the economy and businesses.

The result of these two reforms was evident as the gross domestic product (GDP) growth came crashing down to a three-year low of 5.7 per cent in the first quarter of 2017-18. It was largely because of pre-GST jitters and lingering effects of demonetisation.

Financing:

The Goods and Services Tax (GST), Real Estate Regulation Act (RERA) and the Benami Property Act will have a major impact on how many developers run their businesses. Demonetisation shook up the older ways of working, but did not affect self-governing developers with the right products targeted at the working masses. The rest have realised it is time now to revamp their existing business models if they want to remain in business at all.

On the Finance side, India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market.

The domestic infrastructure funding and finance is in a state of flux. Lack of depth in financing market, current stress level in the banking sector, lack of innovation in financial instruments, slow development of alternate sources of finance as well as project quality have continued to remain the top Industry challenges over the last decade. Uncertainty in the credit markets is impacting the ability of infrastructure developers to raise finance for infrastructure projects.

Financial Performance:

Your Company has not been able to generate revenue from operations for the year under consideration. Expenditure incurred during the year consisted of mainly fees paid to Exchanges, professional fees and advertisement.

There was a loss booked of Rs. 9,15,299 for the Financial year 2017-18 as compared to Rs. 7,53,659 for the previous financial year.

An open offer was made by Mr. Mahendra Bachhawat along with PACs for acquiring Shares of the Company under Regulation 3 (1) & 4 of the SEBI (SAST) Regulations, 2011.

Consequent to completion of open offer Mr. Mahendra Bachhawat along with PACs Abhay Gupta and Rashmi Shah, have become the promoter of the Company and the existing promoters have

ceased to be promoters and their remaining holding, if any, has been classified as public holding. The open offer was completed on 1st August, 2018.

The Acquirer along with PACs are making plans to streamline the operations of the Company so as to generate returns to shareholders, in the ordinary course of business.

Opportunities and Threats:

Due to stiff competitions in the finance field where the Company's activities are centered in, the overall margins are always under pressure, but maintainable, with the constant effort and good services rendered by the company.

Investments:

India had been a bright spot in the otherwise struggling global economies. Demonetization, along with effective implementation of Insolvency and Bankruptcy Code and Goods and Services Tax shall have a very positive impact on the overall investment environment in the country. The stable government and progressive policies shall attract more domestic and foreign capital to the Equity Markets of India.

Credit Risk Management:

Customer selection is of paramount importance, and in this the company's business development and credit teams have the necessary expertise to ensure asset quality. Underwriting decisions are based on knowledge about the prospective customer's business as well as assessment of his cash flows and ensuring adequacy of collateral or guarantees.

Interest Rate Risk Management:

The Company's resources can be a blend of fixed, semi-fixed or floating rate loans, while its assets offerings may or may not be fixed rate products.

Any risk arising from this situation is however mitigated by the Company choosing its lenders with care and with aggressive negotiation thereby ensuring the finest rates for itself; thereby keeping a positive Asset- Liability combination.

Human Resources:

While we have all the processes in place, it is important that we have the right people at job to achieve the goals. Our employees are our most important assets. The competency development of our employees continues to be a key area of strategic focus for us.

By creating conducive environment for career growth, company is trying to achieve the maximum utilization of employee's skills in the most possible way.

There is need and the company is focused on retaining and bringing in talent keeping in mind the ambitious plans despite the market and industry scenario.

The company also believes in recognizing and rewarding employees to boost their morale and enable to achieve their maximum potential. The need to have a change in the management style of the company is one of the key focus areas this year.

Internal Control Systems:

The Company has adequate system of strong internal controls for business processes, with regard to operations, financial reporting, compliance with applicable laws and regulations, etc. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the existing control system in view of the changing business needs from time to time. The Company has also appointed Internal Auditor pursuant to the provisions of Companies Act, 2013 read with relevant rules made thereunder.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

CERTIFICATION ON FINANCIAL STATEMENT

To,
The Board of Directors,

Milgrey Finance & Investments Limited
Plot No. 2, Prabhat Nagar,
Patel Estate Road, Jogeshwari West,
Mumbai-400102

I, Shyamsunder Harlalka, Whole-Time Director (WTD) of the Company do hereby certify the following:

- a. I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018, which is fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We hereby indicated to the auditors and the Audit committee,
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting

For Milgrey Finance & Investments Limited

Sd/-
Shyamsunder Harlalka
Whole Time Director
DIN:00419591

Date: 30th May, 2018

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To,
THE Members of,
MILGREY FINANCE AND INVESTMENTS LIMITED.

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of MILGREY FINANCE AND INVESTMENTS LIMITED. ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. 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 Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
10. As required by section 143(3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. 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.
 - iii. The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - v. On the basis of written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of section 164(2) of the Act.

- vi. 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”; and
- vii. 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 has disclosed the impact of pending litigations on the financial position in the financial statements – refer Note 13 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SUNNY SHAH & COMPANY
CHARTERED ACCOUNTANTS
Firm's Registration Number: 140697W
Sd/-
SUNNY SHAH
(PROPRIETOR)
Membership No.130939

Place :MUMBAI
Dated :30th May 2018

Annexure - A to the Auditor’s Report

The Annexure referred to in Paragraph 1 of the Auditors Report of Even date to the Members of MILGREY FINANCE AND INVESTMENTS LIMITED.

- i. The Company does not have any fixed assets. Accordingly, paragraph 3(i) of the Order is not applicable.
- ii. a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
b) The procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c) The Company is maintaining proper records of inventory and no material discrepancies noticed between book records and physical verification.
- iii. As per the information furnished, The Company has not given any unsecured loans to the Companies, firms and other parties covered under Register maintained under section 189 of Companies Act, 2013.
- iv. As per the information and explanations given to us, there on no transaction during the year of loans, investments, guarantees and security in contravention to section 185 and 186 of Companies Act, 2013.
- v. The Company has not accepted any deposits from public.
- vi. Maintenance of the cost records is not applicable in pursuant to the rule made by the Central Government of India under subsection (1) of section 148 of the Companies Act, 2013.

- vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, customs duty, service tax, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
- b) According to the information and explanation given to us, there are no disputed liability of the Company in respect of Income-tax, Sales Tax, Service Tax, Customs duty, Excise duty, stamp duty and Cess as at 31st March 2018.
- viii. The Company has not defaulted in the loans and borrowing to a Financial Institution, Bank and Government. The Companies has not issued any debentures till date.
- ix. The Company has not raised any money by way of initial public offer and further public offer (including debt instruments) and terms loans during the year.
- x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. The Company has not given any remuneration under Section 197 read with section V of the Companies Act 2013.
- 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. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, 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.

For SUNNY SHAH & COMPANY
CHARTERED ACCOUNTANTS
Firm's Registration Number: 140697W
Sd/-
SUNNY SHAH
(PROPRIETOR)
Membership No.130939

Place :MUMBAI
Dated :30th May 2018

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MILGREY FINANCE AND INVESTMENTS LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SUNNY SHAH & COMPANY
CHARTERED ACCOUNTANTS
Firm's Registration Number: 140697W
Sd/-
SUNNY SHAH
(PROPRIETOR)
Membership No.130939

Place :MUMBAI
Dated :30thMay 2018

BALANCE SHEET

(Amount in ₹)

| Particulars | Note no. | As at 31 st March, 2018 | As at 31 st March, 2017 | As at 1 st April, 2016 |
|--------------------------------------|----------|------------------------------------|------------------------------------|-----------------------------------|
| ASSETS | | | | |
| Non-Current Assets | | | | |
| Property, Plant and Equipment | | - | - | - |
| Investment Property | | - | - | - |
| Intangible Assets | | - | - | - |
| Intangible Assets under development | | - | - | - |
| Financial Assets | | | | |
| i. Investments | | - | - | - |
| ii. Trade receivable | | - | - | - |
| iii. Loans | | - | - | - |
| iv. Other Financial Assets | | - | - | - |
| Deferred tax Assets (Net) | | - | - | - |
| Other Non-current Assets | | - | - | - |
| Total Non-Current Assets | | - | - | - |
| Current Assets | | | | |
| Inventories | 2 | 33105 | 33105 | 33105 |
| Financial Assets | | | | |
| i. Investments | | - | - | - |
| ii. Trade Receivable | | - | - | - |
| iii. Cash and Cash Equivalents | 3 | 90070 | 172041 | 161200 |
| iv. Other Bank Balance | | - | - | - |
| v. Loans | | - | - | - |
| vi. Other financial assets | 4 | - | - | 3800 |
| Other Current assets | 5 | - | 6840 | 13680 |
| Total Current Assets | | 123175 | 211986 | 211785 |
| TOTAL ASSETS | | 123175 | 211986 | 211785 |
| | | | | |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share capital | 6 | 2400000 | 2400000 | 2400000 |
| Other Equity | | | | |
| Reserves and Surplus | 7 | (7491025) | (6575726) | (5822067) |
| Total Equity | | (5091025) | (4175726) | (3422067) |
| Non-Current Liabilities | | | | |
| Financial Liabilities | | | | |
| i. Borrowings | 8 | - | 4330000 | 3580000 |
| ii. Trade payables | | - | - | - |
| Provisions | | - | - | - |
| Deferred tax Liabilities (Net) | | - | - | - |
| Other Non-current liabilities | | - | - | - |
| Total Non-current Liabilities | | - | 4330000 | 3580000 |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| i. Borrowings | 9 | 5155000 | - | - |
| ii. Trade Payables | | 54000 | 57512 | 53852 |
| Other Current Liabilities | 10 | 5200 | 200 | - |
| Provisions | | - | - | - |
| Total Current Liabilities | | 5214200 | 57712 | 53852 |
| TOTAL LIABILITIES | | 5214200 | 4387712 | 3633852 |

| | | | | |
|--|----|--------|--------|--------|
| TOTAL EQUITY AND LIABILITIES | | 123175 | 211986 | 211785 |
| Contingent Liabilities and commitments (to the extent not provided for) | 13 | | | |
| Notes attached to and forming part of accounts | | | | |
| Significant accounting policies | 1 | | | |

As per our report of even date

**For Sunny Shah & Co.
Chartered Accountants
Firm Registration No: 140697W**

**Sd/-
Sunny R. Shah
(Proprietor)
Mem No. 130939**

**Place: Mumbai
Date: 30th May, 2018**

For and on behalf of the Board

Director: Girdharilal Seksaria

Director: Mitesh Jani

Whole Time Director: Shyamsunder Harlalka

**Company Secretary
& Compliance Officer: Ayushi Sharma**

STATEMENT OF PROFIT AND LOSS

(Amount in ₹)

| Particulars | Note no. | As at 31 st March, 2018 | As at 31 st March, 2017 |
|--|----------|---------------------------------------|---------------------------------------|
| 1. Income from Operations | | | |
| i. Revenue from Operations | | - | - |
| ii. Other Income | | - | - |
| Total Income from operations | | - | - |
| 2. Expenses | | | |
| i. Cost of materials consumed | | - | - |
| ii. Purchase of Stock-in-Trade | | - | - |
| iii. Changes in Inventories of finished goods | 11 | - | - |
| iv. Employee benefits expense | | 180000 | 187500 |
| v. Finance Cost | | - | - |
| vi. Depreciation and amortization expense | | - | - |
| vii. Other expenses | 12 | 735299 | 566159 |
| Total Expenses | | 915299 | 753659 |
| 3. Profit/(Loss) before tax | | (915299) | (753659) |
| 4. Tax Expenses | | | |
| i. Current Tax | | - | - |
| ii. Deferred Tax | | - | - |
| Income tax Expense | | - | - |
| 5. Profit/(Loss) for the year | | (915299) | (753659) |
| 6. Other Comprehensive Income | | | |
| Items that will not be reclassified to profit and loss | | - | - |
| Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| Items that will be reclassified to profit or loss | | - | - |
| Income tax relating to items that will be reclassified to profit or loss | | - | - |
| Other Comprehensive income for the year | | - | - |
| 7. TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | (915299) | (753659) |
| 8. Earnings per equity share | | | |
| i. Basic | | (3.81) | (3.14) |
| ii. Diluted | | (3.81) | (3.14) |
| Notes attached to and forming part of accounts | | | |
| Significant accounting policies | 1 | | |

As per our report of even date

For Sunny Shah & Co.
Chartered Accountants
Firm Registration No: 140697W

Sd/-
Sunny R. Shah
(Proprietor)
Mem No. 130939

Place: Mumbai
Date: 30th May, 2018

For and on behalf of the Board

Director: Girdharilal Seksaria

Director: Mitesh Jani

Whole Time Director: Shyamsunder Harlalka

Company Secretary
& Compliance Officer: Ayushi Sharma

CASH FLOW STATEMENT

(Amount in ₹)

| PARTICULARS | For the Year Ended 31 st March 2018 | For the Year Ended 31 st March, 2017 |
|--|---|--|
| CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Profit / (Loss) after tax | (915299) | (753659) |
| | (915299) | (753659) |
| Working Capital Adjustments: | | |
| (Increase)/Decrease in Inventory | - | - |
| (Increase)/Decrease in Other current financial asset | - | 3800 |
| (Increase)/Decrease in Other current asset | 6840 | 6840 |
| Increase/(Decrease) in Trade payables | (3512) | 3660 |
| Increase/(Decrease) in Other current liabilities | 5000 | 200 |
| | (906971) | (739159) |
| Income Tax Paid | - | - |
| Net Cash Flow from Operating Activities (A) | (906971) | (739159) |
| CASH FLOW FROM INVESTING ACTIVITIES | - | - |
| Net Cash Flow From Investing Activities (B) | - | - |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Borrowings | 825000 | - |
| Net Cash From Financing Activities (C) | 825000 | - |
| NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS (A)+(B)+(C) | (81971) | (739159) |
| Cash & Cash Equivalents at the beginning of the year | 172041 | 161200 |
| Cash & Cash Equivalents at the end of the year | 90070 | (577959) |

As per our report of even date

For Sunny Shah & Co.
Chartered Accountants
Firm Registration No: 140697W

Sd/-
Sunny R. Shah
(Proprietor)
Mem No. 130939

Place: Mumbai
Date: 30th May, 2018

For and on behalf of the Board

Director: Girdharilal Seksaria

Director: Mitesh Jani

Whole Time Director: Shyamsunder Harlalka

Company Secretary
& Compliance Officer: Ayushi Sharma

Notes attached to and forming part of the financial statements as on and for the year ended on 31st March, 2018

Note 1 - Basis of accounting and preparation of Financial Statements

a) Company Overview

Milgrey Finance & Investments Limited (“the Company”) is a Limited Company, listed on the Bombay Stock Exchange (BSE), incorporated and domiciled in India having its registered office at 2, Prabhat Nagar, Patel Estate Road, Jogeshwari (W), Mumbai 400 102. The Company was originally engaged in the business of dealing in investment in shares and securities. However, during the year, the Company has not carried out any commercial activities. The Company proposes to commence new activities shortly for which the funds are being raised through fresh issue of equity under preferential allotment. Accordingly, the accounts are prepared on the assumption of going concern.

b) Basis of Accounting

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 (“the 2013 Act”), and the relevant provisions, rules and amendments, as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention except certain assets measured at fair value, wherever applicable.

These financial statements are the Company’s first Ind AS financial statements and are covered by Ind AS 101, First-time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India (“Indian GAAP”) which is considered as the “Previous GAAP” for purposes of Ind AS 101. Under Previous GAAP financial statements were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) notified under section 133 of the 2013 Act and other relevant provisions of the Act as applicable.

c) Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

d) Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported revenue and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable.

e) Property, Plant and Equipment & Depreciation

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised from financial statement, either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, plant and equipment recognised in the statement of profit and loss account in the year of occurrence.

ii. Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

iii. Depreciation

Depreciation is being provided on Straight Line Method on the basis of systematic allocation of the depreciable amount of the assets over its useful life as stated in Schedule II of the Companies Act, 2013.

Depreciation on assets sold, discarded or scrapped, is provided upto the date on which the said asset is sold, discarded or scrapped.

In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets.

f) Intangible Assets

i. Recognition and measurement

Items of Intangible Assets are measured at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company

iii. Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method.

g) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

h) Investments

Long term investments are stated at cost. However, provision for diminution is made to recognise any decline, other than temporary, in the value of long term investments.

Current investments are stated at the fair value.

i) Measurement at fair values

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

j) Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets include Trade receivable, loan to body corporate, loans & advances to employees, security deposits and other eligible current and non-current assets.

Financial liabilities include Loans, trade payable and eligible current and non-current liabilities.

k) Inventories

The cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at cost or net realizable value, whichever is lower on the basis of first in first out method or specific identification, as the case may be.

l) Revenue Recognition

Revenue is recognised as and when the significant risks and rewards are transferred to respective buyer.

In respect of interest income

Interest income is accounted on an accrual basis at effective interest rate method.

In respect of Dividend income

Dividend income is recognized when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

m) Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

n) Employee Benefits

i. Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the

reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Post-employment benefits

The Company operates the following post-employment schemes:

Defined benefit plans

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

o) Cash and Cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

p) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

q) Provisions and Contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for

- i. possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- ii. present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the Financial Statements.

r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

s) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

t) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.

u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(Amount in ₹)

| Note No-2 | As at 31 st March, 2018 | As at 31 st March, 2017 | As at 1 st April, 2016 |
|--------------------|---------------------------------------|---------------------------------------|--------------------------------------|
| Inventories | | | |
| i. Shares | 33105 | 33105 | 33105 |
| | 33105 | 33105 | 33105 |

| Note No-3 | As at 31 st March, 2018 | As at 31 st March, 2017 | As at 1 st April, 2016 |
|---|---------------------------------------|---------------------------------------|--------------------------------------|
| Cash and Cash Equivalents | | | |
| i. Balance with Bank in Current Account | 85111 | 166903 | 154326 |
| ii. Cash in Hand | 4959 | 5138 | 6874 |
| | 90070 | 172041 | 161200 |

| Note No-4 | As at 31 st March, 2018 | As at 31 st March, 2017 | As at 1 st April, 2016 |
|---------------------------------------|---------------------------------------|---------------------------------------|--------------------------------------|
| Other Current Financial Assets | | | |
| i. Deposit | - | - | 3800 |
| | - | - | 3800 |

| Note No-5 | As at 31 st March, 2018 | As at 31 st March, 2017 | As at 1 st April, 2016 |
|-----------------------------|---------------------------------------|---------------------------------------|--------------------------------------|
| Other Current Assets | | | |
| i. Prepaid Expenses | - | 6840 | 13680 |
| | - | 6840- | 13680 |

| Note No-6 | As at 31 st March, 2018 | As at 31 st March, 2017 | As at 1 st April, 2016 |
|--|---------------------------------------|---------------------------------------|--------------------------------------|
| Equity | | | |
| Authorised Shares | | | |
| 250000 Equity Shares of Rs. 10/- each | 2500000 | 2500000 | 2500000 |
| Issued, Subscribed and Paid-up | | | |
| 240000 Equity Shares of Rs. 10/- each at par fully paid up | 2400000 | 2400000 | 2400000 |
| | 2400000 | 2400000 | 2400000 |

a) Reconciliation of shares outstanding at the beginning and end of the reporting year

| | As at 31 st March, 2018 | | As at 31 st March, 2017 | | As at 1 st April, 2016 | |
|------------------------------------|------------------------------------|-----------------|------------------------------------|-----------------|-----------------------------------|-----------------|
| | Number of Shares | Amount (Rs.) | Number of Shares | Amount (Rs.) | Number of Shares | Amount (Rs.) |
| At the beginning of the year | 240000 | 2400000 | 240000 | 240000 | 240000 | 2400000 |
| Issued during the year | - | - | - | - | - | - |
| Bought back during the year | - | - | - | - | - | - |
| Outstanding at the end of the year | 240000 | 2400000 | 240000 | 240000 | 240000 | 2400000 |

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share.

Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

| | As at 31 st March, 2018 | | As at 31 st March, 2017 | | As at 1 st April, 2016 | |
|---|------------------------------------|--------------------|------------------------------------|--------------------|-----------------------------------|--------------------|
| | Number of Shares | Holding Percentage | Number of Shares | Holding Percentage | Number of Shares | Holding Percentage |
| Equity Shares of ₹10 each fully paid up | | | | | | |
| Girdharilal Seksaria | 47550 | 20 | 47550 | 20 | 47550 | 20 |
| Basudeo Seksaria | 16950 | 7 | 16950 | 7 | 16950 | 7 |
| Indumati Seksaria | 21450 | 9 | 21450 | 9 | 21450 | 9 |
| Chandadevi Seksaria | 18300 | 8 | 18300 | 8 | 18300 | 8 |
| Basudeo Seksaria (HUF) | 16550 | 7 | 16550 | 7 | 16550 | 7 |
| Roopesh Seksaria | 20950 | 9 | 20950 | 9 | 20950 | 9 |

| Note No-7 | As at 31 st March, 2018 | As at 31 st March, 2017 | As at 1 st April, 2016 |
|--------------------------------------|------------------------------------|------------------------------------|-----------------------------------|
| Other Equity | | | |
| Retained Earnings | | | |
| Balance at the beginning of the year | (6575726) | (5822067) | (4087463) |
| Add: During the year | (915299) | (753659) | (1734604) |
| Balance at the end of the year | (7491025) | (6575726) | (5822067) |
| Other Comprehensive Income | | | |
| Balance at the beginning of the year | - | - | - |
| Add: During the year | - | - | - |
| Balance at the end of the year | - | - | - |
| Total Other Equity | (7491025) | (6575726) | (5822067) |

| Note No-8 | As at 31 st March, 2018 | As at 31 st March, 2017 | As at 1 st April, 2016 |
|------------------------------|------------------------------------|------------------------------------|-----------------------------------|
| Long Term Borrowings | | | |
| i. from related parties | | | |
| Directors | - | 3580000 | 3580000 |
| ii. from Others | | | |
| Profin Capital Services Ltd. | - | 750000 | - |
| | - | 4330000 | 3580000 |

(Amount in ₹)

| Note No-9 | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-------------------------------------|--|--|---|
| <u>Short Term Borrowings</u> | | | |
| i. from related parties | | | |
| Directors | 3580000 | - | - |
| ii. from Others | | | |
| Profin Capital Services Ltd. | 1150000 | - | - |
| Time Gold Realities Pvt. Ltd | 425000 | - | - |
| | 5155000 | - | - |

| Note No-10 | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|---|--|--|---|
| <u>Other Current Liabilities</u> | | | |
| Statutory Dues | 5200 | 200 | - |
| | 5200 | 200 | - |

| Note No-11 | As at 31st March, 2018 | As at 31st March, 2017 |
|--|--|--|
| <u>Changes in Inventories of Finished goods</u> | | |
| Closing Stock | | |
| Shares | 33105 | 33105 |
| | 33105 | 33105 |
| Less: Opening Stock | | |
| Shares | 33105 | 33105 |
| | - | - |

| Note No-12 | As at 31st March, 2018 | As at 31st March, 2017 |
|------------------------------|--|--|
| <u>Other Expenses</u> | | |
| Advertisement and Publicity | 30634 | 32779 |
| Audit Fees | 59000 | 28750 |
| Bank Charges | 956 | 1334 |
| Listing an Filing Fees | 291605 | 235695 |
| Professional Fees | 321379 | 205540 |
| Registrar Fees | 27600 | 27480 |
| Rates and Taxes | 2500 | 3500 |
| Miscellaneous Expenses | 1625 | 31081 |
| | 735299 | 566159 |

Note No-13

Contingent Liability not provided for in respect of penalty of Rs, 1,75,000/- levied by the Securities and Exchange Board of India of non-compliance of regulation 6 and 7 of SEBI (Substantial Auction of shares and takeover) Regulations 1997. The Company has submitted its explanation for adjudication of the penalty. The matter is under consideration-The necessary effect will be given in the accounts as and when matter is finally decided.

Note No-14

During the year the Company has not carried out any commercial activities although the accounts are prepared on going concern basis as the management has planned to commence the activity shortly.

Note No-15**Related Party Disclosures as required under Ind AS- 24**

Related parties

Girdharilal Seksaria (Director)

| Particulars | (Amount in ₹) | |
|-------------------------------|------------------------------------|------------------------------------|
| | As at 31 st March, 2018 | As at 31 st March, 2017 |
| Other Expenses | | |
| i. Loans | | |
| Opening Balance | | |
| Add: Received during the year | - | - |
| Less: Repaid during the year | - | - |
| Closing Balance | 3580000 | 3580000 |

Note No-16(a)**Effect of Ind AS adoption on the balance sheet as at 31st March, 2017 and 1st April, 2016**

| Note No-10 | 31 st March, 2017 | | | 1 st April, 2016 | | |
|-------------------------------------|------------------------------|--------------------------------|---------------|-----------------------------|--------------------------------|---------------|
| | Previous GAAP | Effect of transition to Ind AS | As per Ind AS | Previous GAAP | Effect of transition to Ind AS | As per Ind AS |
| ASSETS | | | | | | |
| Non-Current Assets | - | - | - | - | - | - |
| Property, Plant and Equipment | - | - | - | - | - | - |
| Investment Property | - | - | - | - | - | - |
| Intangible Assets | - | - | - | - | - | - |
| Intangible Assets under development | - | - | - | - | - | - |
| Financial Assets | - | - | - | - | - | - |
| i. Investments | - | - | - | - | - | - |
| ii. Trade receivables | - | - | - | - | - | - |
| iii. Loans | - | - | - | - | - | - |
| iv. Other financial assets | - | - | - | - | - | - |
| Deferred tax assets (net) | - | - | - | - | - | - |
| Other non-current assets | - | - | - | - | - | - |
| Total non-current assets | - | - | - | - | - | - |
| Current assets | | | | | | |
| Inventories | 33105 | - | 33105 | 33105 | - | 33105 |
| Financial Assets | - | - | - | - | - | - |
| i. Investments | - | - | - | - | - | - |
| ii. Trade receivables | - | - | - | - | - | - |
| iii. Cash and Cash Equivalents | 172041 | - | 172041 | 161200 | - | 161200 |

| | | | | | | |
|--------------------------------------|------------------|---|------------------|------------------|---|------------------|
| iv. Other bank Balance | - | - | - | - | - | - |
| v. Loans | - | - | - | - | - | - |
| vi. Other financial assets | - | - | - | 3800 | - | 3800 |
| Other Current Assets | 6840 | - | 6840 | 13680 | - | 13680 |
| Total Current Assets | 211986 | - | 211986 | 211785 | - | 211785 |
| TOTAL ASSETS | 211986 | - | 211986 | 211785 | - | 211785 |
| EQUITY AND LIABILITIES | | | | | | |
| Equity | | | | | | |
| Equity share capital | 2400000 | - | 2400000 | 2400000 | - | 2400000 |
| Other equity | | | | | | |
| Reserve and Surplus | (6575726) | - | (6575726) | (5822067) | - | (5822067) |
| Total Equity | (4175726) | - | (4175726) | (3422067) | - | (3422067) |
| Non-current liabilities | | | | | | |
| Financial Liabilities | | | | | | |
| i. Borrowings | 4330000 | - | 4330000 | 3580000 | - | 3580000 |
| ii. Trade payables | - | - | - | - | - | - |
| Provisions | - | - | - | - | - | - |
| Deferred tax liabilities (Net) | - | - | - | - | - | - |
| Other non-current liabilities | - | - | - | - | - | - |
| Total non-current liabilities | 4330000 | - | 4330000 | 3580000 | - | 3580000 |
| Current liabilities | | | | | | |
| Financial Liabilities | | | | | | |
| i. Borrowings | - | - | - | - | - | - |
| ii. Trade payables | 57512 | - | 57512 | 53852 | - | 53852 |
| Other current liabilities | 200 | - | 200 | - | - | - |
| Provisions | - | - | - | - | - | - |
| Total current liabilities | 57712 | - | 57712 | 53852 | - | 53852 |
| TOTAL LIABILITIES | 4387712 | - | 4387712 | 3633852 | - | 3633852 |
| TOTAL EQUITY AND LIABILITIES | 211986 | - | 211986 | 211785 | - | 211785 |

Note No-16(b)

Reconciliation of other Equity between Ind AS and Previous GAAP

| Particulars | As at 31 st March, 2017 | As at 1 st April, 2016 |
|-----------------------------------|------------------------------------|-----------------------------------|
| Other Equity as per Previous GAAP | (6575726) | (5822067) |
| Adjustments | - | - |
| Other Equity as per Ind AS | (6575726) | (5822067) |

Note No-16(c)

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017

| Particulars | As at 31 st March, 2017 | | |
|----------------------------|------------------------------------|--------------------------------|---------------|
| | Previous GAAP | Effect of transition to Ind AS | As per Ind AS |
| 1. Income from operations | | | |
| i. Revenue from operations | - | - | - |
| ii. Other Income | - | - | - |

| | | | |
|---|-----------------|---|-----------------|
| | | | |
| Total income from operations | - | - | - |
| | | | |
| 2. Expenses | | | |
| i. Cost of materials consumed | - | - | - |
| ii. Purchases of Stock-in-Trade | - | - | - |
| iii. Changes in inventories of finished goods | - | - | - |
| iv. Employee benefits expense | 187500 | - | 187500 |
| v. Finance Cost | - | - | - |
| vi. Depreciation and amortization expense | - | - | - |
| vii. Other expenses | 566159 | - | 566159 |
| Total expenses | 753659 | - | 753659 |
| 3. Profit/(loss) before tax | (753659) | - | (753659) |
| 4. Tax expense: | | | |
| i. Current tax | - | - | - |
| ii. Deferred tax | - | - | - |
| Income Tax expense | - | - | - |
| 5. Profit/(Loss) for the year | (753659) | - | (753659) |

ATTENDANCE SLIP

MILGREY FINANCE & INVESTMENTS LIMITED

(CIN: L67120MH1983PLC030316)

Regd. Off.: 503, Centre Square, S.V.Road, Vile Parle (West), Mumbai-400058.

Phone: 022 26202230, Email milgreynfinance@gmail.com;

Web: www.milgreyn.in

| | |
|------------------------|----------------------------|
| DP ID No.*: | Folio. No.: |
| Client ID No.*: | No. of Shares held: |

*Applicable for investors holding shares in electronic form

Name and address of the Shareholder(s)/Proxy holder:

I / We hereby record my/our presence at the Annual General Meeting of the Company for the Financial Year ended 31st March, 2018, to be held on Friday, September 28, 2018 at 12.00 noon.at Registered Office of the Company situated at 503, Centre Square, S.V.Road, Vile Parle (West), Mumbai-400058.

Member's / Proxy's
Signature

Note:

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the Meeting Hall)

PROXY FORM

MILGREY FINANCE & INVESTMENTS LIMITED

(CIN: L67120MH1983PLC030316)

Regd. Off.: 503, Centre Square, S.V.Road, Vile Parle (West), Mumbai-400058.

Phone: 022 26202230, Email milgreysfinance@gmail.com;

Web: www.milgreys.in

| | | |
|-------------------------------|--|----------------|
| Name of the Member(s): | | |
| Registered Address: | | |
| Folio No./Client Id: | | DP Id : |

I/We, being the member(s) of _____ shares of Milgrey Finance & Investments Limited, hereby appoint:

1. Name _____ Address _____
Email Id:- _____ Signature _____ or failing him;
2. Name _____ Address _____
Email Id:- _____ Signature _____ or failing him;
3. Name _____ Address _____
Email Id:- _____ Signature _____ or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company for the Financial Year ended 31st March, 2018, to be held on Friday, September 28, 2018 at 12.00 noon. at Registered Office of the Company situated at 503, Centre Square, S.V.Road, Vile Parle (West), Mumbai-400058, and at any adjournment thereof in respect of such resolutions as are indicated below:

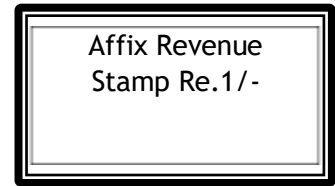
| Sr. No. | List of Resolutions | For | Against |
|----------------------------------|--|------------|----------------|
| <u>ORDINARY BUSINESS:</u> | | | |
| 1 | To receive, consider and adopt the audited financial statements for the Financial Year ended 31 st March, 2018 and the Reports of the Directors and Auditors thereon. | | |
| 2 | To appoint a Director in place of Mrs. Manju Joshi, who retires by rotation and being eligible offers herself for re-appointment | | |
| 3 | Appointment of M/s. Sunny Shah & Co., Chartered Accountants, as the Statutory Auditor of the Company. | | |
| <u>SPECIAL BUSINESS</u> | | | |
| 4 | Regularization of Appointment of Mr. Mahendra Bachhawat, as Managing Director of the Company | | |
| 5 | Regularization of Appointment of Mr. Abhay Gupta, as Non-Executive Director of the Company | | |
| 6 | Regularization of Appointment of Mr. Mitesh Jani as an Executive Director of the Company | | |
| 7 | Regularization of Appointment of Mr. Nirdesh Shah as Non-Executive Independent Director of the Company | | |

| | | | |
|----------|---|--|--|
| 8 | Regularization of Appointment of Mrs. Minakshi Singh as Non-Executive Independent Director of the Company | | |
|----------|---|--|--|

Signed this _____ day of _____, 2018

Signature of Shareholder(s) _____

Signature of Proxy holder(s) _____

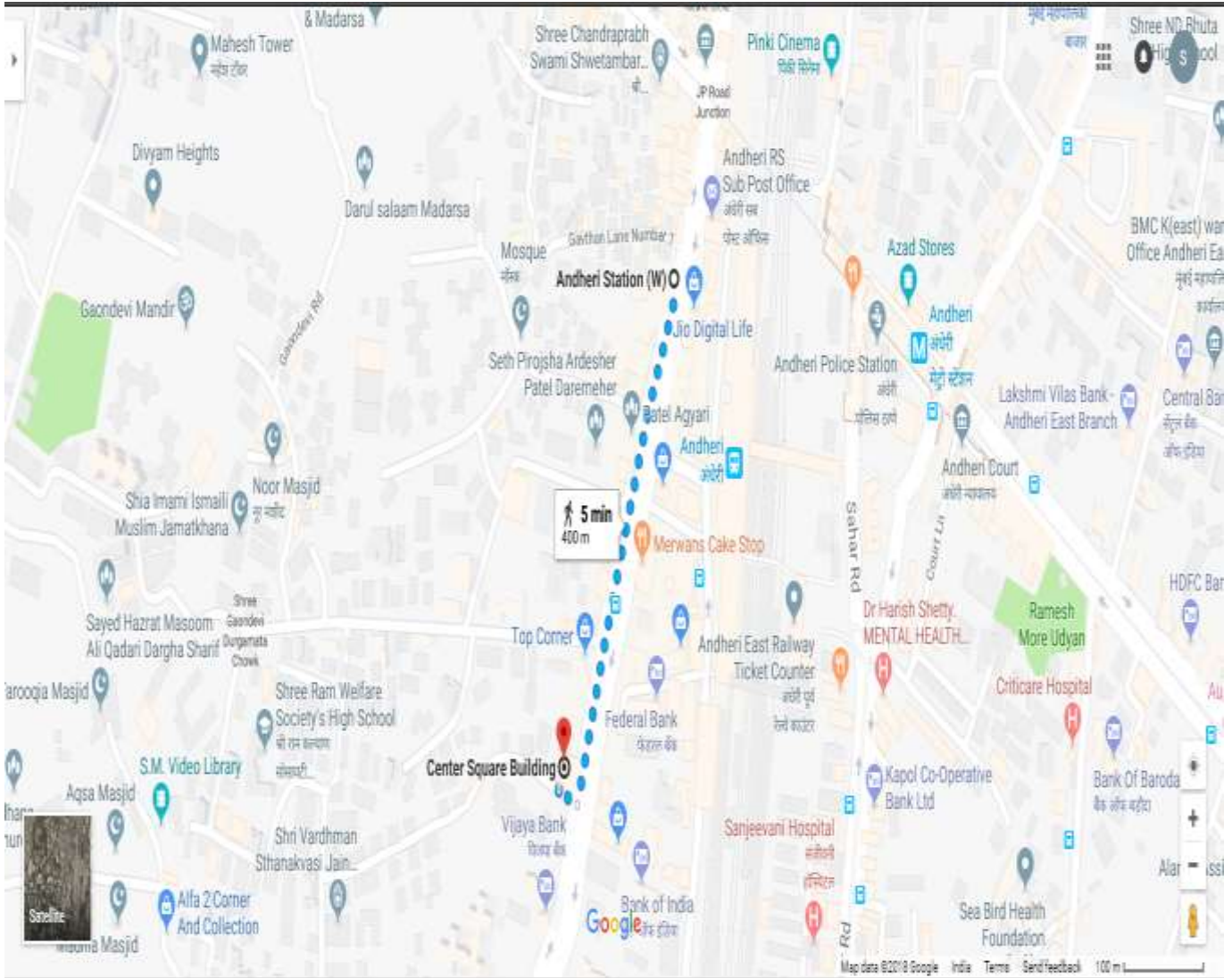


Note:

1. This form of 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. For the Resolutions, Explanatory Statement and notes, please refer to the Notice of the Annual General Meeting.
3. Put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.

ROUTE MAP TO ANNUAL GENERAL MEETING

Date of EOGM and Time : 28th September, 2018 at 12.00 noon.
Place of EOGM : 503, Centre Square, S.V.Road, Vile Parle (West), Mumbai-400058
Nearest Landmark : Near Vijaya Bank



If Undelivered Return to:
Milgre Finance & Investments Limited
Regd. Office: 503, Centre Square, S.V.Road, Vile Parle (West), Mumbai-400058.