



**Milestone Group**

## **MILESTONE FURNITURE LIMITED**

Gala No 03 Aslam Compound Chandivali Sakinaka Andheri E.Mumbai No 400072

CIN :U36912MH0214PLC25413 Website : [www.milestonegroup.asia](http://www.milestonegroup.asia)

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Date: 05-12-2020

The Department of Corporate Services,  
Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers, Dalal Street, Fort,  
Mumbai-400001.

Company Code no. : 541337

**Sub: Submission of Annual Report of the Company for the Financial Year 2019-20**

Dear Sir/Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Annual Report for the Financial Year 2019-20 along with notice convening the 6<sup>th</sup> Annual General Meeting of the members of the Company. Kindly take note of the same.

This is for your information and record.

Yours faithfully,

  
Kangan Dhamija  
Company Secretary

M.No. 30672

**BOARD OF DIRECTORS-**

<b>NAME OF DIRECTORS</b>	<b>DESIGNATION</b>
Mr. Digambar Sudam Songhare	Managing Director
Mr. Ganesh Kumar Sadanand Patlikadan	Executive Director
Mr. Shivaji Laxman Dabahane	Independent Director (upto 05 <sup>th</sup> December, 2020)
Mr. Amardeep Bhau Mahadik	Independent Director upto 23 <sup>rd</sup> September, 2019
Ms. Aarzoo	Independent Director w.e.f. 30 <sup>th</sup> October, 2020
Mr. Akash Vinayak Parte	Independent Director w.e.f. 30 <sup>th</sup> October, 2020
Ms. Triveni Rajesh Jade	CEO w.e.f. 30 <sup>th</sup> October, 2020

<b>COMPLIANCE OFFICE &amp; COMPANY SECRETARY</b>	Ms. Kangan Dhamija Company Secretary (From 27 <sup>th</sup> August, 2020)
<b>STATUTORY AUDITORS</b>	M/s NGST & ASSOCIATES Chartered Accountants Mumbai
<b>REGISTERED &amp; CORPORATE OFFICE</b>	1st floor, Aslam compound Shree Nagar, behind Boghul house, Chandivali Road, Sakinaka, Mumbai 400072
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	<b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b> Add: D-153A, First Floor, Okhla industrial area, phase 1, New Delhi-110020
<b>EQUITY SHARES ISIN CODE</b>	INE424Z01011
<b>LISTED ON STOCK EXCHANGE</b>	BSE SME



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### **NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF MILESTONE FURNITURE LIMITED WILL BE HELD ON WEDNESDAY, ON 30<sup>TH</sup> DECEMBER, 2020 AT 12.30 P.M. THROUGH VIDEO CONFERENCING OR OTHER AUDIO VIDEO MEANS (VC/OAVM).**

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Directors Report, Profit & Loss Account for the year ended March 31, 2020 and the Balance Sheet as on that date and the Reports of the Statutory Auditors thereon.
2. To appoint auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), following resolution as an Ordinary Resolution.

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

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

#### **SPECIAL BUSINESS:**

4. **To approve the Appointment of Ms. Aarzo (DIN: 07022436) as Independent Director of the Company.**

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, 160, 161 and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendments, modifications, re-enactment thereof for the time being in force), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Aarzo (DIN: 07022436), who was appointed as Additional Director pursuant to provisions of the Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company w.e.f. 30<sup>th</sup> October, 2020 and who holds office as such upto the date of this Annual General Meeting and whose appointment has been recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, be and is hereby appointed as a Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years from 30<sup>TH</sup> December, 2020 to 29<sup>th</sup> December 2025 or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines thereto.”



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**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

**5. To approve the Appointment of Mr. Akash Vinayak Parte (DIN: 08721093) as Independent Director of the Company.**

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, 160,161 and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendments, modifications, re-enactment thereof for the time being in force) , and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Akash Vinayak Parte (DIN: 08721093), who was appointed as Additional Director pursuant to provisions of the Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company w.e.f. 30<sup>th</sup> October, 2020 and who holds office as such upto the date of this Annual General Meeting and whose appointment has been recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, be and is hereby appointed as a Independent Director of the Company, not liable to retire by rotation to hold office for a term of five consecutive years from 30<sup>th</sup> December, 2020 to 29<sup>th</sup> December 2025 or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines thereto."

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

**6. To approve the change in registered office of the Company.**

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

**RESOLVED THAT** Pursuant to Provisions of section 12 and any other provisions of the Companies Act ,2013 and Companies (Incorporation) Rules, 2014 and any other applicable provisions if any, the Registered office of the company be and is hereby shifted from its present location Gala No 03 Aslam Compound Chandivali, Sakinaka andheri E.Mumbai No 400072 to Survey no.147, House no.271/1, Met Village, Near H P Petrol Pump,Wada-Manor Road, Tal-Wada, District-Palghar-Maharashtra

**RESOLVED FURTHER THAT**, Directors of the Company, be and are hereby authorized to sign, execute any deeds, documents and file with the Registrar of Companies, the required e-form/s, and any other statutory body or if required verification of the situation of the registered office of the company."

**NOTES:**

1. In view of the ongoing Covid-19 pandemic and pursuant to the Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/ 2020 dated April 8, 2020 and Circular No. 17/ 2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ('MCA') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI) and in compliance with the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has decided to hold its 6<sup>th</sup> AGM through video conferencing ("VC") or other audio visual means ("OAVM") (hereinafter referred to as "electronic means") i.e. without the physical presence of the Members.

2. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and other applicable circulars issued by the MCA & Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) . In accordance with the said

circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 06th AGM of the Company shall be conducted through VC/ OAVM. . The detailed procedure for participating in the meeting though VC/OAVM is annexed herewith.

3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the "Act"), setting out the material facts for each item of special business mentioned in items 4 & 5 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 26 (4) and 36 (3) of the SEBI LODR and Secretarial Standard on General Meetings issued by the Institute of Companies Secretaries of India, in respect of Director seeking reappointment at this AGM is annexed herewith.

4. The **Register of Members and the Share Transfer Books** of the Company will remain closed from Thursday, **the 24th day of December, 2020 to Wednesday, the 30<sup>th</sup> day of December, 2020 (both days inclusive)**.

5. As due to the current pandemic and pursuant to MCA circulars, since this AGM is held through VC/OAVM, the facility for appointment of Proxies by the members will not be available and hence the **proxy form and attendance slip are not annexed** to the notice.

6. Since the AGM will be held through VC/OAVM, the **Route Map is not annexed** in this Notice.

7. The Company's Registrar and Transfer Agents for its Share Registry work (physical and electronic) are **M/S Skyline Financial Services Private Limited**, Address- D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase 1, New Delhi., EMAIL:viren@skylinerta.com.

8. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address at [sourabhparnami@yahoo.com](mailto:sourabhparnami@yahoo.com) and to The Company at [cs@milestonefurniture.in](mailto:cs@milestonefurniture.in).

9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. Members can attend and participate in the Annual General Meeting through VC/OACM only.

10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April 2020, the Notice of the AGM along with the Annual Report 2019-20 has been uploaded on the website of the Company at **[www.milestonegroup.asia](http://www.milestonegroup.asia)**. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated 12th May, 2020. The Notice is also available on the websites of the Stock Exchange i.e. BSE Limited. For members who have not registered their email ids so far, are requested to register their email ids for receiving all communications including Annual Report, Notices from the Company electronically.

11. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to The Company at least seven days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.

12. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar and Transfer Agents.

13. All the documents referred to in the Notice and Explanatory Statement along with other relevant documents will be made available for inspection by the Members on the website of the Company during the meeting.

14. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).



15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with **Central Depository Services(India) Limited (CDSL)** for facilitating voting through electronic means, as the authorised agency.

16. The Securities and Exchange Board of India (SEBI) vide circular No. SEBI/HO/MIRSD/DOP1/CIR/P/ 2018/73 dated 20th April 2018 has mandated compulsory submission of Permanent Account Number (PAN) and bank details by every participant in the securities market. Members holding shares in the electronic form are, therefore requested to submit their PAN and bank details to their Depository Participant(s) and members holding shares in physical form shall submit the details to Company/RTA.

17. The **remote e-Voting period commences on Sunday, the 27th day of December, 2020 (9.00 a.m. IST) and ends on Tuesday, the 29th day of December, 2020 (5.00 p.m. IST)**. During this period, Members of the Company, holding shares both in physical form or in dematerialized form, as on the **cut-off date (record date) i.e. Friday, the 19<sup>th</sup> day of December, 2020** may cast their vote by remote e-voting. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

18. Mr. Sourabh Parnami, Proprietor of M/s S. Parnami & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as the e-voting process at the AGM in a fair and transparent manner.

19. The Scrutinizer shall make, not later than 48 hours 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 Director authorised by him in writing, who shall countersign the same. The Chairman or the authorised Director shall declare the result of the voting forthwith.

20. The results declared along with the Scrutinizer's Report shall be displayed at the Registered Office of the Company and uploaded on the Company's website [www.bcl.ind.in](http://www.bcl.ind.in) as well as on the website of LIPL after the same is declared by the Chairman/authorised person. The Results shall also be simultaneously forwarded to the BSE.

21. In case of joint holders, the Members whose name appear first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

#### REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS

#### CDSL e-Voting System – For Remote e-voting and e-voting during AGM/EGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company on 05/12/2020. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Sunday, the 27th day of December, 2020 (9.00 a.m. IST) and ends on Tuesday, the 29th day of December, 2020 (5.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 23<sup>rd</sup> December, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.OR  
Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li></ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.





**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

**1. For Physical shareholders-** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.

**2. For Demat shareholders -**, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

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

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporate” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a 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 linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@milestonefurniture.in](mailto:cs@milestonefurniture.in) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013, FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING.**

**For Item No. 3 of Ordinary Business:**

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

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

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

**For Item No. 4 of Special Business:**

**To approve the Appointment of Ms. Aarzo (DIN: 07022436) as Independent Director of the Company.**

Ms. Aarzo (DIN:07022436) was appointed as Additional Director on the Board of Directors of the Company w.e.f. 31<sup>st</sup> October, 2020. Ms. Aarzo holds office upto the date of the forthcoming Annual General Meeting but is eligible for appointment as Director subject to the approval of shareholders at ensuing Annual General Meeting. A brief profile of Ms. Aarzo is as mentioned below:

Ms. Aarzo, a commerce graduate , having 8 years of experience. She also handles position of Directors in other Companies and her decisions and suggestions have proved to be beneficial for the interest of the Company. Her vast knowledge and experience is helping Board in better decision making and also leading to profits in the Company.

The Nomination and Remuneration Committee and the Board of directors of your Company are of the opinion that her vast knowledge and experience will be of great value to the Company and hence recommends the Resolution Item No. 4 of this notice relating to her appointment as an Independent Director, with effect from the approval of shareholders.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolutions of the accompanying notice relating to her appointment.

A detail candidature of Ms. Aarzo is attached herewith and marked as 'Annexure – I'.

**For Item No. 5 of Special Business:**

**To approve the Appointment of Mr. Akash Vinayak Parte (DIN: 08721093) as Independent Director of the Company.**

Mr. Akash Vinayak Parte (DIN:08721093) was appointed as Additional Director on the Board of Directors of the Company w.e.f. 31<sup>st</sup> October, 2020. Mr. Akash Vinayak Parte holds office upto the date of the forthcoming Annual General Meeting but is eligible for appointment as Director subject to the approval of shareholders at ensuing Annual General Meeting. A brief profile of Mr. Akash Vinayak Parte is as mentioned below:

Mr. Akash Vinayak Parte, is a graduate in Information technology. He possesses 5 Years of experience. Also, he has worked on a renowned project, Vastu Shodh Project, Pune. His knowledge and skills are very useful for the growth of the organization.

The Nomination and Remuneration Committee and the Board of directors of your Company are of the opinion that his vast knowledge and experience will be of great value to the Company and hence recommends the Resolution Item No. 5 of this notice relating to his appointment as an Independent Director, with effect from the approval of shareholders.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolutions of the accompanying notice relating to her appointment.

A detail candidature of Mr. Akash Vinayak Parte is attached herewith and marked as 'Annexure – I'.

**For Item No. 6 of Special Business:**

**To approve the change in registered office of the Company.**

As per Provision of section 12 of the Companies Act, 2013 read with rule 27 of Chapter II The Companies (Incorporation) Rules, 2014 relating to be procedure to be followed for, shifting of registered office of Company outside the local limits of any city or town requires approval of the members by Special Resolution.

The Registered office of the Company is presently situated in Gala No 03 Aslam Compound Chandivali Sakinaka Andheri E. Mumbai No 400072. Now the Board of Directors of the company in its meeting decided that the registered office of the Company is to be shifted to Survey no.147, House no.271/1, Met Village, Near H P Petrol Pump, Wada-Manor Road,



Tal-Wada, District-Palghar-Maharashtra a place outside the local limits of the town where the company's registered office is presently situated but which is situated within the same State, with a view to improve operational efficiency, the Board of Directors Considered and subject to approval of members, approved the proposal of shifting registered office Survey no.147, House no.271/1, Met Village, Near H P Petrol Pump, Wada-Manor Road, Tal-Wada, District-Palghar-Maharashtra.

The Board recommends the proposed special resolution to the members of the Company for their consideration and approval.

None of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise.

**By order of the Board of Directors,  
For Milestone Furniture Limited**

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

**Place: Mumbai  
Date: 05<sup>th</sup> December, 2020**



**“Annexue: I”**

**Information of Directors seeking appointment at the forthcoming AGM pursuant to Secretarial Standard 2 issued by ICSI.**

<b>Name of the Director</b>	<b>Ms. Aarzo</b>	<b>Mr. Akash Vinayak Parte</b>
<b>Category</b>	Independent Director	Independent Director
<b>Director Identification Number</b>	07022436	08721093
<b>Date of Birth</b>	26/06/1991	31/08/1992
<b>Date of Appointment</b>	30/10/2020	30/10/2020
<b>Qualifications</b>	Graduate	Masters in Information Technology (MSCIT)
<b>Brief Resume of the Director</b>	Commerce Graduate, 4 years of experience. Handled various assignments.	Graduate in Information Technology, having 3 years of experience. Have worked on Vastu Sodh Project, Pune.
<b>Expertise in specific functional areas</b>	Accounts	Expertise in IT
<b>Other listed companies in which he/ she holds Directorship</b>	NIL	NIL
<b>Chairperson/Member of Committee(s) of Board of Directors of the Company</b>	4	4
<b>Chairperson/Member of the Committee(s) of Board of Directors of other listed companies in which he/ she is a Director</b>	NIL	NIL
<b>Shareholding in the Company (Equity)</b>	NIL	NIL
<b>Disclosure of relationship with other Directors and Key Managerial Personnel</b>	None	None

**By order of the Board of Directors,  
For Milestone Furniture Limited**

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

**Place: Mumbai  
Date: 05<sup>th</sup> December, 2020**

## DIRECTOR'S REPORT

To,

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

The Board of Directors hereby submits the report of the Business and operations of your company (Milestone Furniture Limited) along with the audited financial statements, for the financial year ended March 31, 2020.

### FINANCIAL HIGHLIGHTS

(RS.)

Particulars	Current year (2019-20)	Previous Year (2018-19)
Sales	8031974	81567605
Other Income	0	0
Total Income	8031974	81567605
Profit before Depreciation, Finance Cost and Tax Expense	2360592	5765681
Less:		
Depreciation	2156254	3487205
Finance Cost	5928	963188
Profit before Tax	198410	1315288
Current Tax	49602	365913
Deferred Tax	17514	27833
Prior period items	0	0
Profit for the year	131294	921542
Earnings per share (Rs.) :		
Basic	0.01	0.10
Diluted	0.01	0.10

### STATE OF COMPANY'S AFFAIRS

During the year under review, the total Revenue of the Company was Rs. 80,31,974 against Rs. 57,65,681 in the previous year. The Profit before Tax of the company has fall from Rs. 1,98,410 from Rs. 13,15,288 as compared to previous year. The Company has earned a Net Profit of Rs. 1,31,294 as compared to the previous year's profit of Rs. 9,21,542 and Earning Per Share is 0.01. Even in the adverse situations, your directors have made their all efforts to maintain healthy financial results of the company and they got success in maintaining the same as per the aforesaid financial results of the company. Your directors are committed to keep this trend in future also.

### TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

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

## **ANNUAL RETURN**

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and administration) Rules, 2014 in Form MGT-9 is annexed herewith for your kind perusal and information. (Annexure:A)

## **DIVIDEND**

The company intends to expand its activities; your directors do not recommend any dividend.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

## **FIXED DEPOSITS**

The Company has not accepted any deposits/ renewed during the year under review

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

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

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

## **MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR**

There have been no material changes and commitments, 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.

## **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

As on 31st March 2020, the Company does not have any subsidiary/joint venture/associate companies.

## **SHARE CAPITAL:**

During the financial year 2019-20, there was no change in the Authorized, Issued, Subscribed and Paid-up Share Capital of the Company. As on March 31, 2020, the Company was having Authorized Share Capital of Rs. 10,00,00,000/- comprising of 1,00,00,000 equity shares of Rs. 10/- each out of which Issued, Subscribed and Paid-up Share Capital was Rs. 9,29,70,000/- comprising of 92,97,000 equity shares of Rs. 10/- each.

## **CHANGE IN THE NAME OF THE COMPANY**

During the period under review, there has been no change in the name of the Company.

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

There is no change in the nature of the business of the company. Your company tends to run the same business activities till date.





#### DEMATERIALIZATION OF SHARES:

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

#### MEETINGS OF THE BOARD OF DIRECTORS

During the year Six Board Meetings were convened and held, the details of which are given as under. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The following Meetings of the Board of Directors were held during the Financial Year 2019-20:

SN	Date of Meeting	Board Strength	No. of Directors Present
1	29/05/2019	3	3
2	23/07/2019	3	3
3	31/07/2019	3	3
4	20/09/2019	3	3
5	14/11/2019	4	4
6	05/12/2019	4	4
7	23/01/2020	4	4

#### MEETING OF INDEPENDENT DIRECTOR:

The Meeting of the Independent Director held on 29th May, 2019.

#### AUDIT COMMITTEE

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

Composition of the Committee:

1. Mr. Shivaji Laxman Dabhane, Non-Executive, Independent Director (Chairman);
2. Mr. Digambar Sudam Songhare, Director (Member)
3. Mr. Amardeep Bhau Mahadik , Independent Director (Member).
4. Mr. Ganesh Kumar Sanand, Executive (Member)

During the year under review, the Company held 4 Audit Committee meeting on 29.05.2019, 31.07.2019, 14.11.2019, 05.12.2019.

#### NOMINATION AND REMUNERATION COMMITTEE:

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

Composition of the Committee:

1. Mr. Shivaji Laxman Dabhane, Non-Executive, Independent Director (Chairman); and
2. Mr. Amardeep Bhau Mahadik, Non-Executive, Independent Director (Member);
3. Mr. Digambar Sudam Songhare, Managing Director (Member);

During the year under review, the Company held 3 Nomination and Remuneration Committee meeting on 29.05.2019, 20.09.2019 and 05.12.2019.

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

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

Composition of the Committee:

1. Mr. Shivaji Laxman Dabhane, Non-Executive, Independent Director (Chairman);
2. Mr. Digambar Sudam Songhare, Managing Director (Member);
3. Mr. Amardeep Bhau Mahadik, Non-Executive, Independent Director (Member).

During the year under review, the Company held 2 Stakeholders Relationship Committee meeting on 23/07/2019 and 14/11/2019.

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

The Internal Complaint Committee of the Company is constituted pursuant to the provision Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act") in the Board Meeting held on 31.07.2019

Composition of the Committee:

Name of Member	Designation in the Committee
Mr. Ganesh Kumar Patlikadan	Presiding Officer
Mr. Amardeep Bhau Mahadik	Member
Mr. Shivaji Laxman Dabahane	Member

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

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



## **DECLARATION BY INDEPENDENT DIRECTORS**

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

## **BOARD EVALUATION:**

The Board has carried out an annual evaluation of its own performance, as well as the working of its Committees. The Board lay down the criteria for the performance evaluation. The contribution and impact of individual Directors were reviewed through a peer evaluation on parameters such as level of engagement and participation, flow of information, independence of judgment, conflicts resolution and their contribution in enhancing the Board's overall effectiveness. A feedback cum assessment of individual directors, the board as a whole and its committees was conducted. The feedback obtained from the interventions was discussed in detail and, where required, independent and collective action points for improvement put in place.

## **CORPORATE GOVERNANCE:**

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

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

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There was no change in composition of Board of Directors during the year, however after the closure of financial year, Shivaji Laxman Dabhane (DIN: 07978002) resigned from Directorship as on 05th December, 2020. Also, Arzoo (DIN:07022436) and Akash Vinayak Parte (DIN: 08721093) were appointed as Additional Director in the Company w.e.f. 30th October, 2020.

During the year, Ms. Aakash Rai, Company Secretary of the company resigned w.e.f. 28th January, 2020. Also, after the closure of financial year, Ms. Kangan Dhamija, was appointed as Company Secretary of the Company w.e.f. 27th August, 2020.

During the year, Triveni Rajesh Jade, was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 30th October, 2020.

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

## **Audit reports**

- The Auditors' Report for fiscal 2017 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.
- The Secretarial Auditors' Report for fiscal 2017 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as Annexure C to the Board's report in this Annual Report.
- In addition to getting certified by the auditors, we have also voluntarily engaged a Practicing Company Secretary to audit us on corporate governance and issue a report. The report does not contain any qualification, reservation or adverse remarks.

The Notes on financial statements are self-explanatory, and needs no further explanation.

## **STATUTORY AUDITOR**

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

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

#### **SECRETARIAL AUDITOR**

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. S. Parnami & Associates, Company Secretaries, as Secretarial Auditors for the financial year 2020-21. The Secretarial Audit Report for the financial year ended 31st March, 2020 as submitted by M/s. Shivam Sharma & Associates, Company Secretaries is set out in Annexure-C to this Report.

The Secretarial Audit Report is self-explanatory.

#### **COST AUDITOR**

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

#### **INTERNAL FINANCIAL CONTROLS:**

The Board has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Statutory Auditors, Secretarial Auditors and External Consultants; reviews performed by the Management and relevant Board Committees including the Audit Committee, the Board is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2019-20.

#### **INTERNAL CONTROL SYSTEMS:**

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

#### **PARTICULARS OF EMPLOYEES**

The provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable as, there was no employee in the company during the year, drawing remuneration more than the amount specified in terms of the Act.

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

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

#### **REMUNERATION POLICY**

There has been no change in the policy since last fiscal. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

#### **CORPORATE GOVERNANCE CERTIFICATE**

The Compliance certificate from the statutory auditors regarding compliance of conditions of corporate governance as stipulated SEBI Listing Regulations is annexed with the report.



## MANAGEMENT DISCUSSION ANALYSIS

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

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

### FOREIGN EXCHANGE EARNING AND OUTGO:

The foreign exchange earnings and outgo details are as below:

Particulars	2019-20 (Rs.)	2018-19 (Rs.)
Foreign exchange earned in terms of actual inflows	Nil	Nil
Foreign exchange outgo in terms of actual outflows	Nil	Nil

### POLICIES AND DISCLOSURE REQUIREMENTS:

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

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

### RISK MANAGEMENT

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

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

### OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act the company had set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has already adopted and implemented a policy for prevention of Sexual Harassment of Women at workplace. During



the year Company has not received any complaint of harassment.

## **HUMAN RESOURCE MANAGEMENT**

Your Company treats its "human resources" as one of its most important assets.

The Human Resources (HR) department at the company is driven by the vision and mission:

- The vision is to grow
- The commitment is to perform
- The excellence is to deliver consistently
- 

HR management at Milestone Furniture Limited goes beyond the set boundaries of compensation, performance reviews and development. We look at the employee's entire work life cycle, to ensure timely interventions that help build a long-lasting and fruitful career. Your Company thrust is in the promotion of talent internally through job rotation and job enlargement.

## **GENERAL**

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

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

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

## **ACKNOWLEDGEMENT**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

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

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

**Place: Mumbai**  
**Date: 05th December, 2020**



**Annexure-A****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****as on financial year ended on 31.03.2020**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U36912MH2014PTC254131
ii	Registration Date	12/03/2014
iii	Name of the Company	MILESTONE FURNITURE LIMITED (Formerly Milestone Furniture Private Limited)
iv	Category/Sub-category of the Company	Company limited by shares / Indian Non-Government Company
v	Address of the Registered office & contact details	1ST Floor, Aslam Compound Shree Nagar, Behind Boghul House, Chandivali Road, Sakinaka Mumbai Mumbai City Mh 400072
vi	Whether listed company	Yes BSE SME PLATFORM
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	SKYLINE FINANCIAL SERVICES PRIVATE LIMITED Add: D-153A, First Floor, okhla industrial area, phase 1, New Delhi-110020

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

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

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

Sl No	Name & Address of the Company	CIN/GLN	HOLDI NG/ SUBSID IARY/ ASSOCI ATE	% OF SHARES HELD	APPLIC ABLE SECTIO N
Nil					



## IV

## (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	6000000	-	6000000	64.54	6000000	-	6000000	64.54	0
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
		-	-	-		-	-	-	
SUB TOTAL:(A) (1)	6000000	-	6000000	64.54	6000000	-	6000000	64.54	0
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
		-	-	-		-	-	-	
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	6000000	-	6000000	64.54	6000000	-	6000000	64.54	0





B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
C) Cenntral govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non Institutions									
a) Bodies corporates									
i) Indian	1230275	-	1230275	13.23	1215355	-	1215355	13.07	-0.16
ii) Overseas	-	-	-	-	3000	-	3000	0.03	0.03
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	776725	-	776725	8.35	660000	-	660000	7.10	-1.25
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	915000	-	915000	9.84	1049645	-	1049645	11.29	1.45
c) Others H U F	375000	-	375000	4.03	369000	-	369000	3.97	-0.06
SUB TOTAL (B)(2):	3297000	-	3297000	35.46	3297000	-	3297000	35.46	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	3297000	-	3297000	35.46	3297000	-	3297000	35.46	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	9297000	-	9297000	100	9297000	-	9297000	100	-



## (ii) SHARE HOLDING OF PROMOTERS &amp; ITS GROUP

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



## (iii) CHANGE IN PROMOTERS' SHAREHOLDING:

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

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

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

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



Sl. No.	Satyabhama Sadanand	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	10	0	10	0
	At the End of the Year	10	0	10	0

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

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

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):					
Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	ANJALEE EXIM PRIVATE LIMITED				
	At the beginning of the year	441000	4.74	441000	4.74



	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	441000	4.74	441000	4.74
2	MONARCH NETWORTH CAPITAL LIMITED				
	At the beginning of the year	264000	2.84	264000	2.84
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	252000	2.71	252000	2.71
3	PRIMORE SOLUTIONSPRIVATE LIMITED				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	249000	0.26	249000	0.26
	At the end of the year (or on the date of separation, if separated during the year)	249000	0.26	249000	0.26
4	SWETSAM STOCK HOLDING PRIVATE LIMITED				



	At the beginning of the year	240000	2.58	240000	2.58
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	240000	2.58	240000	2.58
5	SUNIL RAY				
	At the beginning of the year	237000	2.55	237000	2.55
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	227645	2.45	227645	2.45
6	TUSHAR RAMESHCHANDRA MEHTA				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	105000	1.13	105000	1.13
	At the end of the year (or on the date of separation, if separated during the year)	105000	1.13	105000	1.13



7	AASTHA TUSHAR MEHTA				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	129000	0.13	129000	0.13
	At the end of the year (or on the date of separation, if separated during the year)	129000	0.13	129000	0.13
8	ASHISH BHARATKUMAR SHAH				
	At the beginning of the year	-	-	-	-
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	66000	0.07	66000	0.07
	At the end of the year (or on the date of separation, if separated during the year)	66000	0.07	66000	0.07
9	CHIRANJIV CHIRAG PATEL (HUF)				
	At the beginning of the year	57000	0.61	57000	0.61
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	-	-	-	-



	At the end of the year (or on the date of separation, if separated during the year)	57000	0.61	57000	0.61
10	PATEL CHIRAG MANUBHAI (HUF)				
	At the beginning of the year	57000	0.61	57000	0.61
	Date wise increase in Promoters Share holding during the year specifying the reasons for increase (Public Issue)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	57000	0.61	57000	0.61

(v) Shareholding of Directors and KMP for each of the Directors & KMP.

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

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

INDEBTEDNESS:





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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	37,48,021	-	-
ii) Interest due but not paid	--	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	37,48,021	-	37,48,021
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	2201401	-	-
Net Change	-	(2201401)	-	(22,01,401)
Indebtedness at the end of the financial year				
i) Principal Amount	-	15,46,620	-	-
ii) Interest due but not paid	--	-	-	-
iii) Interest accrued but not due	--	-	-	-
Total (i+ii+iii)	-	15,46,620	-	15,46,620

IV REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			
	Gross salary				Total Amount
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-



4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act				

V. Remuneration to other Directors:

N/A

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



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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
1	Gross Salary			Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
		-	-	-
	Total	-	-	-

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: N.A

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



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



## Annexure-B

### MANAGEMENT DISCUSSION AND ANALYSIS

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

The Indian economy started the fiscal year 2019-20 with a healthy eight per cent growth. But by the end of financial year, due to the global pandemic of COVID-19, the Indian economy lead to slowdown. The slowdown in the Indian economy emanated from sectors like housing, agriculture, auto, manufacturing and trade, and services etc.

Furniture Business recorded a growth of 15% in value terms over the previous year. This business focuses on 3 major verticals i.e. molded Furniture, Ready Furniture and Mattress, a combination which by itself is a unique business model leveraging the benefit of wide network of distributors and retailers spread across all the districts on a pan India basis. This helps the channel partners to source all type of Furniture requirements of their customers in the furniture domain from a single principal. This is in a way win win proposition for the channel partners as it provides sustainable growth and profitability and also helps them to build a lifelong customer base horizon as the products serve the customer's needs during each stage of their life cycle. The product portfolio which starts from the basic plastic chair/ plastic storage solution/ Dining Tables evolves further into all segments like bedroom, dining, living room, essentials and mattresses which are needed at different points during their aspirational home building journey. The company has also spread its product portfolio to serve the institutional segment especially in segments like office seating, desking and storage solutions. The product assortment covers both the large institutions and small office/home office's needs.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

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

Internal Audit Department along with the help of external professional agencies continuously monitor the effectiveness of the internal controls with an objective to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the internal control. Based on their assessment, management is of the opinion that your Company maintained effective internal control over financial reporting.

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

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

#### **Cautionary Statement**

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

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



Annexure-C

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2020**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the**  
**Companies (Appointment and Remuneration Personnel) Rules, 2014]**

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Milestone Furniture Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;(Not Applicable)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during the Audit Period)



- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period)

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I further report that:

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

I further report that:

During the year under review, the Company has not complied the Section 12 of Companies Act, 2013 in proper manner.

I further report that:

The Company has not appointed internal auditor during the year.

I further report that during the year under review, the Company has not complied the provisions of the section 134 with respect to signing of financial.

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

I further report that:

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The appointment and cessation of Key Managerial Persons were in compliance with the provisions of the Act.

However during the year under review, Mr. Amardeep Bhau Mahadik has resigned from the post of independent director w.e.f 23rd September, 2019, Ms. Akanksha Rai has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. 28th January, 2020.

I further report that:

The Company has not appointed Chief Financial Officer during the year.



Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the compliance by the Company for the applicable Financial Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, quarterly/half yearly financial results under Regulation 33 of SEBI (LODR) Regulations, 2015 and the annual financial statements has not been reviewed in this audit report, since the same have been subject to the statutory financial audit by other designated professionals. This report is to be read with our letter of even date which is annexed as Annexure II and forms an integral part of this report.

**For Shivam Sharma & Associates  
Company Secretaries**

**Shivam Sharma  
(Proprietor)  
M. No.: 35727, CP. No.: 16558  
UDIN: A035727B001398484  
Date: 04.12.2020  
Place: Mumbai**

**Annexure – I**

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

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





To,  
The Members,  
Milestone Furniture Limited  
1st Floor, Aslam Compound  
Shree Nagar, Behind Boghul House,  
Chandivali Road, Sakinaka Mumbai  
Mh 400072.

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

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

**For Shivam Sharma & Associates  
Company Secretaries**

**Shivam Sharma  
(Proprietor)  
M. No.: 35727, CP. No.: 16558  
Date: 04.12.2020  
Place: Mumbai**



### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To The Members,  
MILESTONE FURNITURE LIMITED.**

This certificate is issued pursuant to clause 10(i) of the Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have examined the compliance of provisions of the aforesaid clause 10(i) of the Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our information and according to the explanations given to us by the Company, and the declarations made by the Directors, we certify that none of the directors of MILESTONE FURNITURE LIMITED ('the Company') CIN: L36912MH2014PLC254131 having its registered office at 1st Floor, Aslam Compound Shree Nagar, behind Boghul House, Chandivali road, Sakinaka, Mumbai 400072 , have been debarred or disqualified as on March 31, 2020 from being appointed or continuing as directors of the Company by SEBI/Ministry of Corporate Affairs or any other statutory authority.

**Place: Mumbai  
Date: 05/12/2020**

**sd/-  
Shivam Rai & Associates  
(Company Secretaries)**

### **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I, Digamber Sudam Songhare (DIN: 06809398) , Managing Director of MILESTONE FURNITURE LIMITED, hereby declare that all the members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2020.

**Place: Mumbai  
Date: 05/12/2020**

**sd/-  
Digamber Sudam Songhare  
(DIN: 06809398)**



## CEO CERTIFICATION

To,  
The Board of Directors  
**MILESTONE FURNITURE LIMITED.**

I, DIGAMBER SUDAM SONGHARE, the Managing Director of the Company AND I, MR. GANESH KUMAR SADANAND PATLIKADAN, THE CHIEF EXECUTIVE OFFICER (CEO) of the company do hereby certify to the Board that:

1. We have reviewed the financial statements and the cash flow statement of the company for the year ending 31st March, 2020 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.

2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

3. 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 company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the Audit committee

- i. Significant changes, if any, in internal control over financial reporting during the year;
- ii. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
- iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

## FOR AND ON BEHALF OF BOARD OF DIRECTORS

**Place: Mumbai**

**Date: 31/03/2020**

**Sd/-**

**Digamber Sudam Songhare  
(Mg. Director)**

**Sd/-**

**Ganesh Kumar Sadanand  
(CEO)**



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MILESTONE FURNITURE LIMITED

#### Report on the Financial Statements

##### Opinion

We have audited the accompanying financial statements of **MILESTONE FURNITURE LIMITED ('the company')**, which comprise the balance sheet as at 31<sup>st</sup> March 2020, Cash Flow Statement and the statement of profit and loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2020, and
- b) In case of Statement of Profit & Loss, of the profit for the year ended on that date.
- c) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key Audit Matters

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

##### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section



133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and applications of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. That Board of Directors are also responsible for overseeing the company's financial reporting process.

### **AUDITOR'S RESPONSIBILITY**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant



ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
  - c. The balance sheet, statement of profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014
  - e. On the basis of the written representations received from the directors as on 31 March 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020, from being appointed as a director in terms of section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long term contract including derivative contract; as such the question of commenting on any material foreseeable losses thereon does not arise;
    - iii. There has not been any occasion in case of the Company during the year under report to transfer any sums to the investor education and protection fund. The question of delay in transferring such sums does not arise.
  - h. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance



with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

**Place: Mumbai  
Date: 31<sup>st</sup> July 2020**

**Bhupendra S Gandhi  
Partner  
Membership no.: 122296  
UDIN: 20122296AAAABW7049**

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

**The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended 31<sup>st</sup> March, 2020, we report that:**

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) According to the information and explanation given to us, all the fixed assets have been physically verified by the Management during the year along with technical expert but we cannot comment neither on any material discrepancies which were noticed on such verification nor we can comment on whether the same has been properly dealt with in books of accounts as records were not available for the verification.  
  
(c) There is no immovable property in the name of the company and therefore this clause is no applicable.
- i. (a) The management has conducted physical verification of inventory at reasonable intervals during the year.  
  
(b) As explained to us, there is no material discrepancy noticed on physical verification of inventory as compared to book records.
- iii. In our opinion and according to the information and explanation given to us the company has not granted any secured or unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore clause iii b and iii c are not applicable.
- iv. In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees and security, the provisions of section 185 and 186 of the Act, has been complied with.
- v. In our opinion and according to the information and explanation given to us by the management, the company has not accepted any deposit from the public and therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.
- vi. To the best of our knowledge and belief and according to the information and explanation given to us, no cost records are required to be maintained by the Company under the Companies (Cost Audit Rules), 2014.



- vii. a. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the company is *generally* regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, value added tax, duty of customs, service tax, cess and other material statutory dues applicable to it.
- b. There were no material undisputed amounts payable in respect of provident fund, income tax, value added tax, duty of customs, service tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, wealth tax, duty of excise, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. Further, the Company has not issued any debenture.
- ix. The Company has raised money by way of initial public offer during the year. As per the information and explanation given to us by the management, the proceeds were partially applied for the purpose for which the money was raised and part of the money is still to be utilised.
- x. According to the information and explanations given to us, no material fraud by company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. This clause is not applicable since the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

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

**Place: Mumbai**  
**Date: 31<sup>st</sup> July 2020**

**Bhupendra S Gandhi**  
**Partner**  
**Membership no.: 122296**  
**UDIN: 20122296AAAABW7049**





## ANNEXURE – B TO THE AUDITORS' REPORT

### **Report on the Internal Financial Controls under Clause (l) of Sub-Section 143 of The Companies Act, 2013 ("The Act")**

We have audited the internal financial controls over financial reporting of Milestone Furniture Limited ('the company'), as of 31 March 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 31 March 2020, 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 NGST & Associates  
Chartered Accountants  
Registration No.135159W**

**Bhupendra Gandhi  
Partner  
M. Ship No. 122296  
UDIN: 20122296AAABW7049  
Place: Mumbai  
Date: 31<sup>st</sup> July 2020**



**MILESTONE FURNITURE LIMITED**  
**CIN - U 36912 MH 2014 PLC 25413**

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

**BALANCE SHEET AS ON MARCH 31, 2020**

<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>1] Shareholder's Funds</b>		
a] Share Capital	92,970,000	92,970,000
b] Reserves and Surplus	197,282,166	197,150,873
	<b>290,252,166</b>	<b>290,120,873</b>
	-	-
<b>2] Non-Current Liabilities</b>		
a] Long Term borrowings	1,546,620	3,748,021
b] Deferred Tax Liabilities (Net)	-	-
	<b>1,546,620</b>	<b>3,748,021</b>
<b>3] Current Liabilities</b>		
a] Trade Payables	2,621,060	12,451,060
b] Other current liabilities	102,140	119,525
c] Short term borrowing	-	-
c] Short term provisions	49,602	365,913
	<b>2,772,802</b>	<b>12,936,498</b>
<b>Total</b>	<b>294,571,588</b>	<b>306,805,392</b>
<b><u>ASSETS :</u></b>		
<b>1] Non - Current Assets</b>		
a] Fixed Assets		
(i) Tangible assets	43,543,229	45,699,483
(ii) Intangible assets	-	-
(iii) Capital Goods and Material - WIP	16,503,210	16,503,210
b] Long term loans and advances	50,035,500	50,035,500
c] Deferred tax assets	230,800	213,286
	<b>110,312,739</b>	<b>112,451,479</b>
<b>2] Current Assets</b>		
a] Inventories	45,340,352	46,094,753
b] Trade Receivables	46,845,954	53,377,703
c] Cash & Cash Equivalents	146,540	1,565,471
d] Short-term loans and advances	79,581,655	81,827,398
e] Other Current Assets	12,344,348	11,488,588
	<b>184,258,849</b>	<b>194,353,913</b>
<b>Total</b>	<b>294,571,588</b>	<b>306,805,392</b>

(0)

Notes forming part of financial statements

As per our report of even date attached

**For and behalf of Board of Directors**  
**Milestone Furnitures Ltd.**

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

**Director**      **Director**

**Place: Mumbai**  
**Date: 31/07/2020**

**Bhupendra S Gandhi**  
**Partner**  
**Membership no.: 122296**  
**UDIN: 20122296AAAABW7049**

**MILESTONE FURNITURE LIMITED**

CIN - U 36912 MH 2014 PLC 25413

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

Maharashtra - 400072. India.

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 2020**

(Amt in Rs.)

<b>Particulars</b>	<b>Year ended March 31, 2020</b>	<b>Year ended March 31, 2019</b>
<b>REVENUE</b>		
a) Income from Operation	8,031,974	81,567,605
b) Other income	-	-
<b>Total Revenue</b>	<b>8,031,974</b>	<b>81,567,605</b>
<b>EXPENSES</b>		
a) Cost of Material Consumed	3,215,773	68,510,956
b) Employees Benefit Cost	762,969	2,582,143
c) Financial Costs	5,928	963,188
d) Depreciation and amortization expenses	2,156,254	3,487,205
e) Other Expenses	1,692,641	4,708,825
<b>Total Expenses</b>	<b>7,833,564</b>	<b>80,252,317</b>
<b>Profit before extraordinary items and tax</b>	<b>198,410</b>	<b>1,315,288</b>
<b>Extraordinary Items</b>	-	-
<b>Profit before tax</b>	<b>198,410</b>	<b>1,315,288</b>
<b>Tax expense:</b>		
(i) Current tax	49,602	365,913
(ii) Deferred tax	17,514	27,833
<b>Profit for the period</b>	<b>131,293</b>	<b>921,542</b>
<b>Earning per equity share:</b>		
- Basic	<b>0.01</b>	<b>0.10</b>
- Diluted	<b>0.01</b>	<b>0.10</b>

Notes forming part of financial statements

As per our report of even date attached

**For and behalf of Board of Directors**  
**Milestone Furnitures Ltd.****For: NGST & Associates**  
**Chartered Accountants**  
**Firm registration number: 135159W****Director**                      **Director****Bhupendra S Gandhi**  
**Partner**  
**Membership no.: 122296**  
**UDIN: 20122296AAAABW7049****Place: Mumbai**  
**Date: 31/07/2020**

**MILESTONE FURNITURE LTD**  
**Notes Forming Part of Financial Statements for the year ended 31st March, 2020**

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Note 1 - Share Capital</b>		
<b>Authorised</b>		
1,00,00,000 (P.Y. 1,00,00,000) Equity shares of Rs. 10/- each	100,000,000	100,000,000
<b>Total</b>	<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed and Paid Up</b>		
92,97,000 (P.Y. 92,97,000) Equity shares of Rs. 10/- each	92,970,000	92,970,000
<b>Total</b>	<b>92,970,000</b>	<b>92,970,000</b>
<b>Reconciliation of the Number of Shares</b>		
At the beginning of the year	9,297,000	6,000,000
Issued during the period - Fresh Allotment	-	3,297,000
<b>At the end of the year</b>	<b>9,297,000</b>	<b>9,297,000</b>
<b>Terms/rights attached to Equity shares</b>		
The Company has only one class of Equity shares having a par value of Rs 10 per share.		
All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting.		
In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts (if any).The distribution will be in proportion to the number of equity shares held by the shareholders.		
<b>Details of shareholding more than 5% shares in the Company</b>		
	<b>31 March 2020</b>	<b>31 March 2019</b>
	No. of Shares held	No. of Shares held
Digambar Sudam Songhare	2,999,975	2,999,975
Ganesh Kumar Sadanand Patlikadan	2,999,975	2,999,975
<b>Note 2 - Reserves and Surplus</b>		
<b>Securities Premium</b>		
Opening balance	178,520,954	75,980,000
Add: Addition during the year	-	115,395,000
Less: IPO expenses Set off	-	12,854,046
	<b>178,520,954</b>	<b>178,520,954</b>
<b>Balance in Surplus</b>		
Opening Balance	18,629,919	17,708,377
Add: Profit for the year	131,293	921,542
Closing Balance	<b>18,761,212</b>	<b>18,629,919</b>
<b>Total</b>	<b>197,282,166</b>	<b>197,150,873</b>
<b>Note 3 - Long Term Borrowings</b>		
Unsecured Loan from NBFC's & others	1,546,620	3,748,021
	<b>1,546,620</b>	<b>3,748,021</b>
<b>Note 4 - Trade Payables</b>		
Due to MSME	-	-
Due to other creditors	2,621,060	12,451,060
	<b>2,621,060</b>	<b>12,451,060</b>
<b>Note 5 - Other Current Liabilities</b>		
Advance from customers	-	-
Other current liabilities	102,140	119,525
	<b>102,140</b>	<b>119,525</b>

**MILESTONE FURNITURE LTD**  
**Notes Forming Part of Financial Statements for the year ended 31st March, 2020**

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Note 7 - Long Term Loans and Advances</b>		
Security deposits	50,035,500	50,035,500
	<b>50,035,500</b>	<b>50,035,500</b>
<b>Note 8 - Inventories</b> (Valued at cost or market value, whichever is lower)		
Closing stock	45,340,352	46,094,753
	<b>45,340,352</b>	<b>46,094,753</b>
<b>Note 9 - Trade Receivables</b> (Unsecured, Considered Good)		
Outstanding for a period exceeding six months	43,797,703	5,653,356
Others	3,048,251	47,724,347
	<b>46,845,954</b>	<b>53,377,703</b>
<b>Note 10 - Cash and Cash Equivalents</b>		
Cash in hand	121,400	1,482,891
<u>Balance with Bank:</u>		
- In Current accounts	25,140	82,580
	<b>146,540</b>	<b>1,565,471</b>
<b>Note 11 - Short term loans and advances</b>		
other Advance	79,555,587	81,678,727
Prepaid Insurance	26,068	148,671
	<b>79,581,655</b>	<b>81,827,398</b>
<b>Note 11 - Other current assets</b>		
Other current assets	12,344,348	11,488,588
	<b>12,344,348</b>	<b>11,488,588</b>

**MILESTONE FURNITURE PVT LTD**

Notes Forming Part of Financial Statements for the year ended 31st March, 2020

Particulars	Amount in INR	
	Year ended March 31, 2020	Year ended March 31, 2019
<b>Note 12 - Revenue from Operations</b>		
Sale of Goods		
Furniture, other Curtain & Fabric materials	8,031,974	81,567,605
Labour Charegs recd	-	-
	<b>8,031,974</b>	<b>81,567,605</b>
<b>Note 13 - Other Income</b>		
Discount received	-	-
	-	-
<b>Note 14 - Cost of Material Consumed</b>		
Opening stock	46,094,753	47,729,092
Add: Purchases	2,461,372	66,876,617
	48,556,125	114,605,709
Less: Closing stock	45,340,352	46,094,753
	<b>3,215,773</b>	<b>68,510,956</b>
<b>Note 15 - Employees Benefit Expenses</b>		
Salaries, wages and bonus	762,969	2,582,143
Director's remuneration	-	-
Staff welfare expenses	-	-
	<b>762,969</b>	<b>2,582,143</b>
<b>Note 16 - Financial Costs</b>		
Interest on loan	-	931,691
Bank charges	5,928	31,497
	<b>5,928</b>	<b>963,188</b>
<b>Note 17 - Other Expenses</b>		
Power and fuel	248,053	447,467
Legal & Professional charges	152,500	471,292
Travelling & Conveyance	-	-
Rent, rates and taxes	684,425	2,310,255
Repairs and maintainence	42,086	81,814
Sales promotion and advertisement expenses	-	437,840
Commission	104,000	46,258
Insurance	-	-
Auditors remuneration:		
- Statutory audit fees	125,000	125,000
Factory Expenses	52,140	76,293
Office & Admn. Exp.	284,437	712,606
	<b>1,692,641</b>	<b>4,708,825</b>

**MILESTONE FURNITURE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020**

		<b>Current Year 31.03.2020</b>	<b>Previous Year 31.03.2019</b>
<b>A.</b>	<b>Cash flow from operating activities :</b>		
	Net profit before tax	198,410	1,315,288
	<b>Adjustment For :</b>		
	Depreciation	2,156,254	3,487,205
	Interest	5,928	963,188
	Differed	(17,514)	(27,833)
	<b>Operating profit before working capital changes</b>	<b>2,343,078</b>	<b>5,737,848</b>
	<b>Adjustment For :</b>		
	Trade & other receivables	7,921,732	4,127,656
	Other Business Advance		(73,204,556)
	Inventories	754,401	1,634,339
	Trade and other payables	(10,163,696)	(918,479)
	<b>Cash used in operations</b>	<b>855,515</b>	<b>(62,623,192)</b>
	Income tax paid	(67,116)	(393,746)
	<b>Net cash used in operating activities - I</b>	<b>788,398</b>	<b>(63,016,938)</b>
<b>B.</b>	<b>Cash flow from investing activities :</b>		
	Purchase of Fixed Assets	-	16,503,210
	Sale of Fixed Assets	-	-
	Purchase of Investments	-	-
	<b>Net cash used in investing activities - II</b>	<b>-</b>	<b>16,503,210</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Proceeds from issue of equity shares	-	148,365,000
	(Repayment)/ proceed of/ from Proceeds from short term borrowings	(2,201,401)	(49,556,716)
	(Repayment)/ proceed of/ from long term borrowings	-	(4,816,401)
	Capital Raising cost		(12,854,046)
	Interest paid	(5,928)	(963,188)
	<b>Net cash generated from financing activities - III</b>	<b>(2,207,329)</b>	<b>80,174,649</b>
	<b>Net increase in cash and cash equivalents</b>	<b>(1,418,931)</b>	<b>654,501</b>
	<b>Opening balance of cash &amp; cash equivalents</b>	<b>1,565,471</b>	<b>910,970</b>
	<b>Closing balance of cash &amp; cash equivalents</b>	<b>146,540</b>	<b>1,565,471</b>

**Notes:**

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

**For and behalf of Board of Directors  
Milestone Furnitures Ltd.**

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

Director Director

**Bhupendra S Gandhi  
Partner**

**Place: Mumbai  
Date: 31/07/2020**

**Membership no.: 122296  
UDIN: 20122296AAAABW7049**



MILESTONE FURNITURES PVT LTD										
Notes Forming Part of Financial Statements for the period ended 31/03/2020										
Note 6										
Tangible assets										
	GROSS BLOCK				DEPRECIATION				NET BLOCK	
PARTICULARS	As on	Addition	Deletion	Total as on	As on	During	Deduction	Total as on	As on	As on
	1.4.2019			31.3.2020	1.4.2019	the Year		31.3.2020	31.3.2020	31.3.2019
Freehold Land	6,000,000	-	-	6,000,000	-	-	-	-	6,000,000	6,000,000
Furniture & Fixture	5,058,756	-	-	5,058,756	3,046,580	588,021	-	3,634,601	1,424,155	2,012,176
Office Equipments	3,477,511	-	-	3,477,511	2,924,881	305,617	-	3,230,498	247,013	552,630
Plant & Machinery	41,960,476	-	-	41,960,476	4,825,799	1,262,617	-	6,088,415	35,872,061	37,134,677
Computer	141,500	-	-	141,500	141,500	-	-	141,500	-	-
<b>Total</b>	<b>56,638,243</b>	<b>-</b>	<b>-</b>	<b>56,638,243</b>	<b>10,938,760</b>	<b>2,156,254</b>	<b>-</b>	<b>13,095,014</b>	<b>43,543,229</b>	<b>45,699,483</b>
Capital Work In Progress	-	-	-	-	-	-	-	-	16,503,210	16,503,210
<b>Total</b>	<b>56,638,243</b>	<b>-</b>	<b>-</b>	<b>56,638,243</b>	<b>10,938,760</b>	<b>2,156,254</b>	<b>-</b>	<b>13,095,014</b>	<b>60,046,439</b>	<b>62,202,693</b>