



Milestone Group

MILESTONE FURNITURE LIMITED

Date: 20.07.2024

To,

Bombay Stock Exchange Limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers, Dalal Street,
Mumbai – 400001

**Sub: Annual Report for the F.Y. 2023-24 along with Notice of 10th Annual General Meeting
(BSE SCRIP CODE: 541337)**

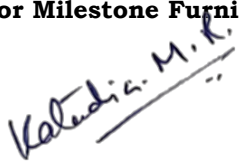
Dear Sir / Madam,

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Annual Report for the F.Y. 2023-24 along with the Notice of 10th Annual General Meeting of the Company scheduled to be held on Tuesday, 13th August, 2024 at 03.30 PM to transact the business as set out in the Notice.

This is for your kind information and record purpose. Please update the same at your website.

Thanking You

For Milestone Furniture Limited



Mayank Rasiklal Kotadia
(Whole Time Director)
(DIN: 07484438)

Place: Palghar, Mumbai

CIN: L36912MH2014PLC254131

Regd. Office: Level 4, DYNASTY Business Park, A Wing, Andheri-Kurla Raod, J.B. Nagar,
Mumbai, Maharashtra, India, 400059

Email ID. Director1@milestonefurniture.in, Ph. No.7738146226

Website: www.milestonefurniture.in



Milestone Group

MILESTONE FURNITURE LIMITED

NOTICE OF 10TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **10th (Tenth) Annual General Meeting** of the members of the Company will be held on **Wednesday 13th Day of August, 2024 at 3:30 P.M through Video Conferencing/ Other Audio Video Means (VC/OAVM) without physical presence of the members at the AGM venue**, to transact the following business(s):

ORDINARY BUSINESSES:

ITEM NO. 1 – ADOPTION OF FINANCIAL STATEMENTS

To receive, consider and adopt the financial statements of the Company for the financial year ended on 31st March 2024, including audited Balance Sheet as at 31st March, 2024 and the Profit & Loss Account for the year ended on that date, together with the report of the Directors and Auditors thereon.

ITEM NO. 2 – APPOINTMENT OF DIRECTOR

To appoint a director in place of Mr. Vivek Yogeshwar Sonar (DIN: 07735643) who retires by rotation and being eligible to offer himself for re-appointment.

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Vivek Yogeshwar Sonar (DIN: 07735643) who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

ITEM NO. 3 – APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY

To appoint Statutory 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 3 of the Companies (Audit and Auditors) Rules, 2014, M/s. S. Aggarwal & Co., Chartered Accountants (FRN 000808N), be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of ensuring Annual General Meeting till the conclusion of the 15th Annual General Meeting to be held in the year 2029 on such remuneration as may be agreed upon between the Board of Directors and Statutory Auditor.”

SPECIAL BUSINESSES:

ITEM NO. 4 – REGULARIZATION OF ADDITIONAL DIRECTOR, MS. MUSKAN RANA (DIN: 10216001) AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution:**

CIN: L36912MH2014PLC254131

Regd. Office: Level 4, DYNASTY Business Park A Wing, Andheri-Kurla Raod,
J.B. Nagar, Mumbai, Maharashtra, India, 400059

Email ID. Director1@milestonefurniture.in, Ph. No.7738146226

Website: www.milestonefurniture.in

“RESOLVED THAT, pursuant to provision of Section 149,150,152 read with Schedule IV to the Companies Act,2013, and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015, Ms. Muskan Rana (DIN: 10216001) who was appointed as an Additional Director of the Company w.e.f. 28th March, 2024 in terms of Section 161(1) of the Companies Act,2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act proposing his candidature for the office of the Director and declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and hereby appointed as an Non-Executive Independent Director of the Company to hold office for five (5) consecutive years for the maximum period up to 30th July 2029.”

ITEM NO. 5 – REGULISATION AND APPOINTMENT OF MR. AKSHAY SHARMA (DIN: 10701657) AS MANAGING DIRECTOR AND CEO OF THE COMPANY

To consider and, if thought fit, to pass with or without modifications, the following resolution as **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 (to the extent applicable to the Company) and other applicable provisions, if any, of the Companies Act, 2013, read with provisions of Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force), the consent of the Members be and is hereby accorded for the change in designation of Mr. Akshay Sharma (DIN: 10701657) from Additional Director to Managing Director (MD) and Chief Executive Officer of the Company for a period of 5 years, with effect from 17th July 2024 on the following terms and conditions:

- **Remuneration:** Currently Mr. Akshay Sharma is drawing a NIL salary; however, he can be paid any remuneration, commission, variable pay, in future as may be decided by the Nomination and Remuneration Committee/ Board/Management from time to time. In addition to above, he shall be entitled for Company’s contribution to Provident Fund, leave encashment and payment of gratuity as per the HR Policy of the Company.
- The aggregate of salary, together with perquisites, allowance, benefits and amenities payable to Mr. Akshay Sharma in any financial year shall not exceed the limits prescribed from time to time under section 196, 197 of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force) and in case the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Akshay Sharma (DIN: 10701657) Managing Director and Chief Executive Officer by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with the Managing Director and Chief Executive Officer.
- **Term:** Period of five years w.e.f. 17th July 2024.
- **Duties:** The Managing Director and Chief Executive Officer shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- **Code of Business Conduct & Policies:** The Managing Director and Chief Executive Officer shall adhere to the Code of Business Conduct & Policies of the Company, if any.
- **Reimbursement:** Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.

- **Increment:** As per the Company rules.
- **Business and affairs of the Company:** The MD and CEO shall have the right to manage the day to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of the Company;

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the remuneration payable to Mr. Akshay Sharma (DIN: 10701657) Managing Director and Chief Executive Officer by way of salary, commission, variable pay, perquisites and allowances shall be governed by the provisions prescribed in section 196 and 197, but in case of no profit or inadequate profit, subject to the limits mentioned in Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with the Managing Director, also the Board of Directors be and hereby authorized to make such modifications on the terms and conditions including tenure and remuneration as it may decide from time to time with the provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Akshay Sharma (DIN: 10701657), Managing Director and Chief Executive Officer be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.

RESOLVED FURTHER THAT the Board and/or or Company Secretary and/ or Chief Financial Officer of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

ITEM NO. 6 – INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY AND ALTERATION OF CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

To consider and, if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the Rules framed thereunder by the Members of the Company, consent of the Members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 10,00,00,000 (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) shares of Rs. 10 each to Rs. **50,00,00,000** (Rupees Fifty Crore) divided into **5,00,00,000** (Five Crore) shares of Rs. 10 each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder, consent of the Members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place, the following: -

“V. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- [Rupees Fifty Crores only] divided into 5,00,00,000 [Five Crore] Equity Shares of Rs. 10/- [Rupees Ten only] each”.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board / Committee of the Board or any officer(s) authorized by the Board of Directors, be and are hereby authorized to do all such acts, deeds, matters and things whatsoever, including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

ITEM NO. 7 - ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

“RESOLVED THAT pursuant to provisions of Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (**“SEBI (ICDR) Regulations, 2018”**), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (**“Takeover Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the rules, regulations, notifications and circulars issued thereunder and other applicable law including any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India, the Securities and Exchange Board of India (**“SEBI”**), Reserve Bank of India (**“RBI”**), the Ministry of Corporate Affairs, the respective stock exchanges where the equity shares of the Company are listed (**“Stock Exchanges”**), and or any other competent regulatory authority and in accordance with the uniform listing agreements entered into with the Stock Exchanges and in accordance with the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, including but not limited to the Stock Exchanges and SEBI and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approval, consents, permissions and sanctions and which terms may be agreed to by the Board of Directors of the Company (hereinafter referred to as **“the Board”** which expression shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to, the Board be and is hereby authorized to create, issue, offer and allot by way of Preferential Allotment, of 3,06,00,000 (Three Crore Six Lakh Only) equity shares Equity Shares of Face Value of Rs. 10/- (Rupee Ten only) each at a premium of Re. 0/- each aggregating to Rs. 30,60,00,000/- (Rupees Thirty Crore Sixty Lakhs Only) to Strategic Investors (Non-Promoters), on preferential allotment basis in compliance with Chapter V of SEBI (ICDR) Regulations, 2018 and subsequent amendments thereto & on such terms and conditions and in such manner as the Board may in its absolute discretion deem fit, to the following persons/entities as mentioned below:

Sr. No.	Name of Allottee	No. of Equity Shares proposed to be allotted	Name of the Ultimate Beneficial Owner
	Non-Promoters		
1	Scinox Fintech Limited (Body Corporate)	90,00,000	N.A.
2	Shree Ganesh Enterprise (Partnership Firm)	75,00,000	
3	Dhan Laxmi and company (Partnership Firm)	81,00,000	
4	Padmavati Traders (Partnership Firm)	60,00,000	
	Total		

RESOLVED FURTHER THAT:

- i. The Relevant Date for the purpose of pricing of issue of Equity Shares in accordance with the Regulation 161 of SEBI (ICDR) Regulations, 2018 (as amended) be fixed as **18th June, 2024** to consider the proposed preferential issue of Equity Shares.
- ii. The Equity Shares as may be offered, issued, and allotted in accordance with the terms of this resolution, shall be in dematerialized form.
- iii. The Equity Shares to be allotted shall rank pari passu in all respects with the existing Equity Shares of the Company, including dividend.

iv. The Equity Shares shall be issued and allotted by the Company to the Proposed Allottees within a period of 15 days from the date of passing of this special resolution provided that where any approval or permission by any regulatory authority or the Central Government or the Stock Exchanges is pending, the allotment shall be completed within a period of 15 days from the date of such approval or permission, as the case may be in compliance with Regulation 170 of the SEBI (ICDR) Regulations, 2018.

RESOLVED FURTHER THAT the Equity Shares to be offered, issued and allotted shall be subject to lock in for such periods as prescribed in Regulation 167 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

RESOLVED FURTHER THAT the Equity Shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT subject to the SEBI (ICDR) Regulations, 2018 and other applicable laws the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of the above-mentioned Equity Shares and to vary, modify or alter the terms and conditions and size of the issue, as it may deem expedient, without being required to seek any further consent or approval of the Company in a General Meeting.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modifications in the proposal as may be required by the agencies involved in such issues but subject to such conditions as the Reserve Bank of India (RBI) / Securities and Exchange Board of India (SEBI) and/ or such other appropriate authority may impose at the time of their approval as agreed by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient and to settle any question, difficulties or doubts that may arise in this regard including but not limited to the offering, issue and allotment of Equity Shares of the Company as it may in its absolute discretion deem fit and proper.

RESOLVED FURTHER THAT Mr. Akshay Sharma, Managing Director of the Company or Mr. Mayank Rasiklal Kotadia, Whole time Director of the Company be and is hereby severally authorized to do all such act (s), deed(s) and things including all forms, documents, filing with Registrar of Companies, Stock Exchanges, Depositories or any other agency as may be necessary and incidental to give effect to the aforesaid Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors or to any Officer or Officers of the Company to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities and to appoint any professional advisors, consultants, advocates and advisors to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this connection.”

Reg. Office
Level 4, DYNASTY Business Park A
Wing, Andheri-Kurla Raod,
J.B. Nagar, Mumbai, Mumbai,
Maharashtra, India, 400059

Place: Mumbai
Dated: 17-07-2024

For and on behalf of the Board of
Milestone Furniture Limited

Sd/-
Mayank Rasiklal Kotadia
(DIN: 07484438)
(Whole Time Director)

C-2, Nandanvan Murlidhar C.H.S.L., S. V. Road,
Near Manav Kalyan Kendra, Dahisar East
Mumbai, Maharashtra

Notes:

- 1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**
2. Brief Resume of the Director(s) seeking re-appointment, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR) Regulations, 2015} is annexed hereto and forms part of Notice.
3. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 08th day of August, 2024 to Tuesday, 13th day of August, 2024 (both days will be inclusive).
5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Skyline Financial Services Private Limited (the RTA) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the RTA.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Skyline Financial Services Private Limited (RTA).

6. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.
7. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
8. The Venue of AGM shall be deemed to be the registered office of the company at Level 4, DYNASTY Business Park A Wing, Andheri-Kurla Raod, J.B. Nagar, Mumbai, Mumbai, Maharashtra, India, 400059.
9. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.

10. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.
13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
14. In compliance with MCA General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 17/2020 dated 13th April, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and owing to the difficulties involved in dispatch of physical copies, the Annual Report for F.Y. 2023-24 comprising of Financial Statements (including Board's Report, Auditors' report or other documents required to be attached therewith) and Notice of 10th Annual General Meeting (AGM) are being sent in electronic mode to the Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that this Notice and the Annual Report 2023-24 will also be available on the Company's website viz. www.milestonefurniture.in.
15. **To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs. The registered e-mail address will be used for sending future communications.**
16. Members are requested to:
 - a) note that copies of annual Report will not be distributed at the AGM and they will have to bring their copies of annual Report;
 - b) bring the Attendance Slip at the venue duly filled-in and signed for attending the meeting, as entry to the AGM Place will be strictly on the basis of the Entry Slip available at the counters at the meeting venue in exchange of the attendance Slip;
 - c) quote their Folio / Client ID & DP ID Nos. in all correspondence with the Company / R&TA;
 - d) note that no gifts / coupons will be distributed at the AGM.

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

17. 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 will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
18. 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. 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 AGM will be provided by CDSL.

19. 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 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.
20. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
21. 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. 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.
22. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.milestonefurniture.in. 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 and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.
23. 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.
24. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on Saturday, 10th August, 2024 from 09:00 AM and ends on Monday, 12th August, 2024 upto 05:00 PM. 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) of Wednesday, 07st August, 2024 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) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on “Shareholders” module.
3. 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.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual 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"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
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"> • 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 (3).

(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) 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.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of the Milestone Furniture Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details 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 and on approval of the accounts they would be able to cast their vote.
 - It is Mandatory that, 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 (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. 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 **5 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 **5 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.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the 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 AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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 update your email id & mobile no. with your respective **Depository Participant (DP)**.

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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 or call on 1800 22 55 3

Details of Directors seeking Appointment or Re-appointment at the Annual General Meeting (In pursuance of Regulation 36 of SEBI Listing Regulations)

Name of Director	Vivek Yogeshwar Sonar	Akshay Sharma	Muskan Rana
Date of Birth	28.04.1993	25.07.1992	23.11.1993
Age (Years)	50	32	20
Date of Appointment	19.07.2021	—	09.02.2023
Relations with Other Director (Inter-Se)	Nil	Nil	Nil
Expertise in specific functional areas	MBA Marketing Management and also very good experience of Sales	He is rich experience of Financial Modeling	She if CA, having rich experience of Finance
Directorship held in Other listed Companies	Nil	Nil	Nil
Chairman/ Member of the Committee of the Board of Directors of the Company	He is a Member of Internal Complaint Committee	He is a Member of Audit Committee	She is Member in Audit Committee, Nomination and Remuneration Committee and Internal Complaint Committee

Reg. Office:

Level 4, DYNASTY Business Park A
Wing, Andheri-Kurla Raod,
J.B. Nagar, Mumbai, Mumbai,
Maharashtra, India, 400059

Place: New Delhi

Dated: 17.07.2024

**For and on behalf of the Board of
Milestone Furniture Limited**

Sd/-

**Mayank Rasiklal Kotadia
(DIN: 07484438)**

(Whole Time Director)

C-2, Nandanvan Murlidhar C.H.S.L., S. V. Road,
Near Manav Kalyan Kendra, Dahisar East
Mumbai, Maharashtra

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

The following explanatory statements set out all material facts relating to the Special Businesses mentioned in the accompanying notice.

Item No. 4

Regularization of Additional Director, Ms. Muskan Rana (DIN: 10216001) as Director of the company.

To consider and, if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution**:

Ms. Muskan Rana (DIN: 10216001) was first inducted to the Board at the Board Meeting held on 28th March, 2024 and in the same meeting he was appointed as the Additional Director (Non-Executive, Independent) in terms of Section 161(1) of the Companies Act, 2013. Ms. Muskan Rana (DIN: 10216001) can hold office only up to the date of the ensuing Annual General Meeting. The Board is of the view that the appointment of Ms. Muskan Rana on the Company Board is desirable and would be beneficial to the Company and hence it recommends the said resolution No. 4 for approval by the members of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Ms. Muskan Rana herself, in any way concerned or interested, in the said resolution.

The board recommends the said resolution to be passed as an ordinary resolution.

Item No. 5

Appointment of Mr. Akshay Sharma (DIN: 10701657) as Managing Director and CEO of the Company

To consider and, if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution**:

As per the requirement of sections 196, 197, 203 and Schedule V of the Companies Act, 2013 read with the prescribed rules of the Companies Rules, 2014, the Board has upon the recommendation of the Nomination & Remuneration Committee, approve change in Designation of Mr. Akshay Sharma (DIN: 10701657) from Additional Director to Managing Director (MD) and Chief Executive Officer (Whole Time Key Managerial Personnel) at Board Meeting held on 17th July 2024.

The company has received the consent in writing from Mr. Akshay Sharma in form DIR-2 pursuant to the Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules 2014.

The director shall follow the code of conduct of the company and perform the duties as prescribed by the directors from time to time subject to the provisions of section 166 of the Companies act, 2013.

The terms and conditions regarding the appointment and remuneration are mentioned below:

- **Remuneration:** Currently Mr. Akshay Sharma is drawing a NIL salary; however, he can be paid any remuneration, commission, variable pay, in future as may be decided by the Nomination and Remuneration Committee/ Board/Management from time to time. In addition to above, he shall be entitled for Company's contribution to Provident Fund, leave encashment and payment of gratuity as per the HR Policy of the Company.
- The aggregate of salary, together with perquisites, allowance, benefits and amenities payable to Mr. Akshay Sharma in any financial year shall not exceed the limits prescribed from time to time under section 196, 197 of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force) and in case the Company

has no profits or its profits are inadequate, the remuneration payable to Mr. Akshay Sharma (DIN: 10701657) Managing Director and Chief Executive Officer by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with the Managing Director and Chief Executive Officer.

- **Term:** Period of five years w.e.f. 17th July 2024.
- **Duties:** The Managing Director and Chief Executive Officer shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- **Code of Business Conduct & Policies:** The Managing Director and Chief Executive Officer shall adhere to the Code of Business Conduct & Policies of the Company, if any.
- **Reimbursement:** Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.
- **Increment:** As per the Company rules.
- **Business and affairs of the Company:** The MD and CEO shall have the right to manage the day to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of the Company;

The company also seeks the approval of the shareholders by way of ordinary resolution as per the provisions of sections 196, 197 and schedule V of the company's act, 2013 read with the Companies rules, 2014 (including any statutory modifications or re-enactment thereof) and other applicable provisions if any, for the appointment of Mr. Akshay Sharma as the Managing Director and Chief Executive Officer for the Period of Five years w.e.f. 17th July 2024.

The Board recommends the passing of the resolution as a 'Special resolution' as set out in Item No. 5 in the Notice convening the meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Ms. Muskan Rana herself, in any way concerned or interested, in the said resolution.

Item No. 6

Increase in Authorised Share Capital of the Company and Alteration of capital clause of Memorandum of Association of the Company.

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

In order to broad base the Capital Structure and to meet funding requirements of the Company and to enable the Company to issue further shares, it is proposed to increase the Authorised Share Capital of the Company from Rs. 10,00,00,000 (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) shares of Rs. 10 each to Rs. 50,00,00,000 (Rupees Fifty Crore) divided into 5,00,00,000 (Five Crore) shares of Rs. 10 each ranking pari passu in all respect with the existing Equity Shares of the Company.

As a consequence of increase of Authorised Share Capital of the Company, the existing Authorised Share Capital Clause in Memorandum of Association of the Company be altered accordingly. The proposed increase of Authorised Share Capital requires the approval of members in general meeting u/s 13 and 61 of the Companies Act, 2013.

The new set of Memorandum of Association is available for inspection at the Registered Office of the Company on any working day during business hours.

Accordingly, consent of the members of the Company is sought for passing a Special Resolution as set out at Item No. 5 of the Notice.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution of Item No. 5.

The Board recommends the Special Resolution set out at Item No. 5 for the approval of the Members of the Company.

Item No. 7

Issue of Equity Shares on Preferential basis

To consider and, if thought fit, to pass with or without modifications, the following resolution as **Special Resolution**:

The Board of the Directors of the Company at its meeting held on 13th June 2024, has given their consent subject to approval of Members by way of Special Resolution to issue 3,06,00,000 Equity Shares to Strategic Investors (Non-Promoters) on Preferential Allotment basis.

In terms of Section 62(1)(c) read with Sections 42 of the Companies Act, 2013 and rules made thereunder ("Act"), and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**") as amended, and on the terms and conditions and formalities as stipulated in the Act and the ICDR Regulations, the Preferential Issue requires approval of the shareholders of the Company by way of a special resolution.

Accordingly, consent of the members is being sought in terms of Section 42 & 62 of the Companies Act 2013 and Chapter V of the SEBI (ICDR) Regulations, 2018.

The details of the issue and other particulars as required in terms of Regulation 163 of the Chapter V of the SEBI (ICDR) Regulations, 2018, Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and allotment of securities) Rules, 2014 in relation to the above said Special Resolution are given as under.

1. List of Allottees for Preferential Allotment of Equity Shares:

Sr. No.	Name of Allottee	No. of Equity Shares proposed to be allotted	Name of the Ultimate Beneficial Owner
	Non-Promoters		
1	Scinox Fintech Limited	90,00,000	NA
2	Shree Ganesh Enterprise	75,00,000	NA
3	Dhan Laxmi and company	81,00,000	NA
4	Padmavati Traders	60,00,000	NA
	Total	3,06,00,000	

2. Objects of the preferential issue:

The proposed issue of 3,06,00,000 Equity Shares to Strategic Investors (being Non- Promoters) on Preferential allotment basis is being made for cash aggregating to Rs. 30,60,00,000/- (Rupees Thirty Crores Sixty Lakhs only) with the object of meeting funding requirements for

3. Maximum number of specified securities to be issued and price of the securities

The resolution set out in the accompanying notice authorizes the Board to issue 3,06,00,000 Equity Shares of Re. 10/- each at a price of Rs.10/- each (including premium of Rs. 0/- each) on preferential basis for Cash consideration.

4. Basis on which the price of the Preferential Issue has been arrived at:

The Equity Shares of the Company are listed on BSE Limited ("BSE") (hereinafter referred to as "Stock Exchanges"). The Equity Shares of the Company are frequently traded within the meaning of explanation provided in Regulation 164(5) of Chapter V of the SEBI (ICDR) Regulations, 2018, has been considered for pricing in compliance with Regulation 164 of

Chapter V of SEBI (ICDR) Regulations, 2018. In terms of Regulation 164 of Chapter V of SEBI (ICDR) Regulations, 2018, the minimum price at which equity shares to be issued shall not be less than higher of the following: a) Rs. 10/- each- The Average of 90 Trading days volume weighted average price of the equity shares of the Company quoted on the Stock Exchange preceding the Relevant Date; or

5. Relevant date with reference to which the price has been arrived at:

The Relevant Date in terms of Regulation 161 of SEBI (ICDR) Regulations, 2018 for determining the price of Equity Shares with reference to the proposed allotment is 18th June 2024.

6. The class or classes of persons to whom the allotment is proposed to be made:

The proposed preferential allotment of Equity Shares is made to Individuals and Bodies Corporate, etc. belonging to non-Promoters category.

7. Intention of promoters, directors or key managerial personnel or senior management of the issuer to subscribe to the offer:

None of the existing directors, promoters or key managerial personnel or senior management of the Company have shown their intention to subscribe to proposed Preferential Issue of Equity Shares.

8. The change in control if any in the company that would occur consequent to the preferential offer;

The proposed Preferential Allotment of Equity Shares will not result in any change in the management and control of the Company.

9. Time frame within which the preferential allotment shall be completed:

As required under the Regulation 170 of SEBI (ICDR) Regulations 2018, the Company shall complete the allotment of Equity Shares within a period of 15 days from the date of passing of this Special Resolution by the shareholders in Extra Ordinary General Meeting, provided that where any approval or permission by any regulatory authority or the Central Government or the Stock Exchanges is pending, the allotment shall be completed within a period of 15 days from the date of such approval or permission.

10. Shareholding pattern before and after Preferential Issue would be as follows:

S. No.	Category	Pre- Preferential Issue*		Post Preferential Issue	
		No of shares held	% of share holding	No of shares held	% of share holding
1	Non Promoter	-	-	90,00,000	22.56
2	Non Promoter	-	-	75,00,000	18.80
3	Non Promoter	-	-	81,00,000	20.30
4	Non Promoter	-	-	60,00,000	15.04

11. Consequential Changes in the Voting Rights:

Voting rights will change according to the change in the shareholding pattern mentioned above.

12. The Current and Proposed status of the allottees post the preferential issue namely, promoter or non-promoter:

S. No.	Name of the Proposed Allottees	Current status of the allottees namely promoter or non promoter	Proposed status of the allottees post the preferential issue namely promoter or non-promoter
1	Scinox Fintech Limited	Non promoter	Non promoter
2	Shree Ganesh Enterprise	Non promoter	Non promoter
3	Dhan Laxmi and company	Non promoter	Non promoter

4	Padmavati Traders	Non promoter	Non promoter
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- 13. The number of persons to whom allotment through preferential issue have already been made during the year in terms of number of securities as well as price:**

Allotment Date	No. of Shares	Total Allottees
NA	NA	NA

- 14. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the Registered Valuer:** Not Applicable, as the proposed allotment is made for Cash consideration.

15. Undertakings:

- i. The Issuer Company undertakes that they shall recompute the price of the specified securities in terms of the provision of SEBI (ICDR) Regulations, 2018, as amended where it is required to do so.
- ii. The Issuer Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of SEBI (ICDR) Regulations, 2018, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

16. Disclosure as specified under Regulation 163(1)(i) of SEBI(ICDR) Regulations 2018

Disclosure is not applicable in the present case as neither the company nor its promoters/ directors are wilful defaulters or fraudulent borrower.

17. Pricing:

The Equity Shares of the Company are listed on BSE Limited ("BSE") (hereinafter referred to as "Stock Exchanges"). The Equity Shares of the Company are frequently traded within the meaning of explanation provided in Regulation 164(5) of Chapter V of the SEBI (ICDR) Regulations, 2018 and NSE being the Stock Exchange with higher trading volumes for the said period, has been considered for pricing in compliance with Regulation 164 of Chapter V of SEBI (ICDR) Regulations, 2018. In terms of Regulation 164 of Chapter V of SEBI (ICDR) Regulations, 2018, the minimum price at which equity shares to be issued shall not be less than higher of the following:

- 18. Name and the address of Valuer who performed valuation-** Not Applicable.

19. Practicing Company Secretary' Certificate:

A copy of the certificate from Mr. Amit Kumar, (Membership No. 48525), of M/s. Amit H.V. & Associates, Practicing Company Secretaries certifying that the Preferential Issue is being made in accordance with the requirements of Chapter V of SEBI (ICDR) Regulations, 2018 shall be placed before the shareholders at their proposed Annual General Meeting and the same shall be available for inspection by the members at the Registered Office of the Company between 11:00 AM and 5:00 PM on all working days between Monday to Friday from the date of dispatch of the AGM Notice.

20. Lock-in period

The aforesaid allotment of Equity Shares on a preferential basis shall be locked in as per Regulation 167 of Chapter V of the SEBI (ICDR) Regulations, 2018, as amended. The entire pre-preferential allotment shareholding of the allottees, if any shall be locked-in as per Regulation 167 (6) of Chapter V of the SEBI (ICDR) Regulations, 2018.

21. Material Terms of Issue of Equity Shares

Issue and allotment of 3,06,00,000 Equity Shares at a price of Rs.10/- per share (Face Value of Re.10/- per share and Premium Rs.0/- per share) on preferential allotment basis for cash consideration. The Equity Shares allotted in terms of this resolution shall rank pari-passu with the existing equity shares of the Company in all respects.

22. Disclosure pursuant to the provisions of Schedule VI of SEBI (ICDR) Regulations 2018:

It is hereby declared that neither the Company nor its promoters and directors are willful defaulters or fraudulent borrowers as defined under SEBI (ICDR) Regulations, 2018 and none of its directors or Promoters are fugitive economic offender as defined under SEBI (ICDR) Regulations, 2018 and hence providing disclosures specified in Schedule VI of SEBI (ICDR) Regulations 2018 does not arise.

23. Particulars of the offer, Kinds of Securities Offered, Price of the Securities Offered including date of passing of Board resolution: Issue of 3,06,00,000 Equity Shares of Face Value of Re.10/- (Rupee Ten only) each at an issue price of Rs.10/- each including premium of Rs.0/- each on preferential basis for Cash consideration.

Date of passing Board Resolution for aforesaid Preferential Issue is 13th June, 2024.

24. Amount which the company intends to raise by way of such securities:

The Company intends to raise Rs.30,60,00,000/- by way of Preferential Issue of 3,06,00,000 Equity Shares.

25. Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects:

No contribution is being made by the existing promoters or directors either as part of the offer or separately in furtherance of objects.

26. Principle terms of assets charged as securities: Not Applicable

27. Interest of the Promoters/ Directors:

None of the existing Promoters, Director(s), Key Managerial Personnel and their relatives is, in any way, directly or indirectly concerned or interested, financially or otherwise, in the above referred resolutions except to the extent of their shareholding, if any.

Accordingly, the Board of Directors of your Company recommend the Resolution set out in Item No. 7 of this Notice for the approval of the Members by way of passing a **Special Resolution**.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution of Item No. 7.

10th Annual Report 2023-24



MILESTONE FURNITURE LIMITED

[CIN: L36912MH2014PLC254131]

[Regd. Office: Level 4, DYNASTY Business Park A Wing, Andheri-Kurla Raod,
J.B. Nagar, Mumbai, Mumbai, Maharashtra, India, 400059]

CORPORATE INFORMATION

BOARD OF DIRECTORS	<p>1. Mr. Mayank Rasiklal Kotadia, DIN: 07484438 (Whole time Director)</p> <p>2. Mr. Vivek Yogeshar Sonar, DIN: 07735643 (Whole time Director)</p> <p>3. Ms. Rashika Saxena,* DIN: 09205484 (Women Independent Director)</p> <p>4. Mr. Tanmay Singh* DIN: 09488538 (Managing Director)</p> <p>5. Ms. Muskan Rana DIN: 10216001 (Additional Director)</p>
COMPLIANCE OFFICER	Mr. Dheeraj Kumar Pandey
SECRETARIAL AUDITORS	M/s Amit H.V. & Associates (Company Secretaries)
STATUTORY AUDITOR	M/s. S. Aggarwal & Co., (Chartered Accountants)
REGISTERED OFFICE	Level 4, DYNASTY Business Park A Wing, Andheri-Kurla Raod, J.B. Nagar, Mumbai, Mumbai, Maharashtra, India, 400059
REGISTRAR & SHARE TRANSFER AGENT (RTA)	Skyline Financial Services Private Limited
STOCK EXCHANGE (SCRIP CODE)	BSE SME (541337)
ISIN	INE424Z01011
CIN	L36912MH2014PLC254131

BOARD'S REPORT

To,
**The Members of
Milestone Furniture Limited**

Your Directors have the pleasure in presenting their 10th Annual Report together with Audited Financial Statements of the Company for the year ended 31st March 2024.

FINANCIAL HIGHLIGHTS:

	(Rs. In Thousands)	
	As on 31.03.2024	As on 31.02.2023
Income From Operations		
Other Income	Nil	Nil
Total Income	Nil	Nil
Total Expenses	6,314.00	6,561.00
Profit /Loss before Tax	(6,314.00)	(6,561.00)
Current Tax	Nil	Nil
Deferred Tax	Nil	Nil
Prior period items		
Profit /Loss for the year	(6,314.00)	(6,561.00)
Earnings per share (Rs.) : Basic	(0.68)	(0.71)
Diluted	(0.68)	(0.71)

STATE OF AFFAIRS OF THE COMPANY

Company has been inoperative for the last 2 (Two) years. The Net loss during the financial Year 2023-24 was Rs. 6,314.00 thousands as compared to net loss of Rs. 6,561 thousands in previous financial year translating to Earning Per Share at Rs.(0.68). Your directors are optimistic for growth of company in near future.

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

During the financial year 2023-24 the Company has transferred loss of Rs. 6,314 thousands to the general reserves.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the financial year.

CHANGE IN THE NAME OF THE COMPANY

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

MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes affecting the financial position of the company subsequent to the close of the financial year 2022-23 till the date of report.

SHARE CAPITAL:

During the financial year 2023-24, there was no change in the Authorized, Issued, Subscribed and Paid-up Share Capital of the Company. As on March 31, 2024, the Authorized Share Capital of the Company was 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.

DIVIDEND

Your Directors have not recommended any dividend on the equity shares for the financial year ended March 31, 2024, due to accumulated Losses.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In accordance with the provisions of Sections 186 of the Companies Act, 2013, complete particulars of loans given, investments made, guarantees given and securities provided, if any, have been disclosed in the financial statements.

DEPOSITS

Your Company has not invited any deposits from public/ shareholders in accordance with Chapter V of the Companies Act, 2013.

ANNUAL RETURN

The Annual Return of the Company as on March 31, 2024 in Form MGT – 7 in accordance with Section 92(3) and Section 134(3)(a) of the Act as amended from time to time and the Companies (Management and Administration) Rules, 2014, will be made available on the website of the Company at <https://www.milestonefurniture.in>.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

None of the transactions with related parties entered by the Company during FY 2023-24, fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2023-24 and hence does not form part of this report.

The approval of the Audit Committee was sought for all transactions with related Parties. Certain transactions which were repetitive in nature were approved through omnibus route.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on 31st March 2024, the Company does not have any subsidiary/joint venture/associate companies.

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 BSE, 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.

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.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the regulators or Courts or Tribunal which would impact the going concern status of the company and its future operation. However, Members attention is drawn to the statement on Contingent Liabilities and commitments in the notes forming part of the financial statement.

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

The company's operations do not involve high consumption of energy. The company has taken adequate measures for conservation of energy.

FOREIGN EXCHANGE EARNING AND OUTGO:

The foreign exchange earnings and outgo details are as below:

Particulars	2023-24(Rs.)	2022-23 (Rs.)
Foreign exchange earned in terms of actual inflows	Nil	Nil
Foreign exchange outgo in terms of actual outflows	Nil	Nil

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with amendments thereto; forms part of Annual Report as **Annexure- II**.

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.

EXPANSION OF BUSINESS (TRAVELLING EXP.)

The management of the Company making efforts for the future growth of the Company and its shareholders by expanding their business on the other parts of the country.

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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, it has been observed that Ms. Muskan Rana (DIN: 10216001) has been appointed by the Board as Non-Executive Independent (Additional) Director w.e.f. 28.03.2024 and Mr. Dheeraj Kumar Pandey has been appointed as Company Secretary and Compliance Officer at a duly convened Board Meeting held on 02.01.2024.

Apart from that Mr. Tanmay Singh has been appointed as Managing Director w.e.f. 17.04.2023. Further he resigned from the post of Managing Director w.e.f. 16.06.2023 i.e. after closing of the current financial year.

Ms. Rashika Saxena (DIN: 09205484) has resigned from the post of Directorship w.e.f. 18th March, 2024.

Apart from above mentioned changes, no other change was made during the year.

In accordance with the provisions of the Companies Act, 2013, Mr. Vivek Yogeshwar Sonar by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

MEETINGS OF THE BOARD OF DIRECTORS

During the year 10 (Ten) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE

During the year under review, 5 (Five) Meetings of the Audit Committee were held.

Composition of the Committee as follows:

S. No.	Name	Designation
1	Mr. Akshay Sharma (Chairman & Member)	Managing Director
2	Ms. Muskan Rana	Independent Director (Non-Executive)
3	Mr. Vivek Yogeshwar Sonar	Executive Director

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

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 as follows:

S. No.	Name	Designation
1	Ms. Muskan Rana (Chairman & Member)	Independent Director (Non-Executive)
2	Mr. Mayank Rasiklal Kotadia	Executive Director
3	Mr. Vivek Yogeshwar Sonar	Executive Director

During the year under review, the Company held 6 (Six) meetings of Nomination and Remuneration Committee.

INTERNAL COMPLAINT COMMITTEE:

The Internal Complaint Committee of the Company is constituted pursuant to the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“Act”)

Composition of the Committee:

Name of Member	Designation in the Committee
Ms. Muskan Rana (Chairman & Member)	Independent Director (Non-Executive)
Mr. Mayank Rasiklal Kotadia	Executive Director
Mr. Vivek Yogeshwar Sonar	Executive Director

INDEPENDENT DIRECTORS MEETING/ BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of Independent Directors held on 02.01.2024, Performance of Non-Independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

AUDITORS AND THEIR REPORTS STATUTORY AUDITOR

M/s. S. Aggarwal & Co. and Associates (FRN: 000808N), 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 there under, it is proposed to appoint M/s. S. Aggarwal and Co. (FRN: 000808N), Chartered Accountants as statutory auditor of the Company from the conclusion of the ensuring AGM till the conclusion of the 15th Annual General Meeting to be held in year 2029. The Members are requested to consider their re-appointment.

Pursuant to the notification dated May, 7, 2018 issued by Ministry of Corporate Affairs, the requirement for ratification of appointment of Auditors by the shareholders at every Annual General Meeting has been done away with. Further, the Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the rules made there under.

The Auditors' Report read along with Notes to Accounts is self-explanatory and therefore, does not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remarks. No fraud has been reported by the Statutory Auditors under Section 143(12).

SECRETARIAL AUDITOR

The Board has appointed M/s Amit H.V. & Associates (Prop. Mr. Amit Kumar), a Practicing Company Secretary, to conduct Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2023-24.

The Secretarial Auditor of the Company have submitted their Report in form No. MR-3 as required under Section 204 of the Companies Act, 2013 for the financial year ended 31st March, 2024. The Secretarial Auditor Report is annexed herewith and marked as **Annexure I** to this Report. Explanation to the observation of Secretarial Auditor as mentioned in his report, is as follows:

Management Reply

Promoters of the Company have decide from the Board to assure you that Effective and Efficient

steps will be taken by the Company in the Coming Financial Year to resolve and Comply all the above mentioned Remarks given by the Secretarial Auditor of the Company.

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.

QUALIFICATION, RESERVATION OR ADVERSE REMARK IN THE AUDIT REPORTS

There is no qualification, reservation or adverse remark made by the Statutory Auditors in their Audit Reports issued by them. However, the queries / qualifications marked by the Secretarial Auditor have already been replied above.

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 2023-24.

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.

REMUNERATION POLICY

There has been no change in the policy since last financial year. 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.

PARTICULARS OF EMPLOYEES

The provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable as, none of the employee in the company during the year, drawing remuneration more than the amount specified in terms of the Act.

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;
- c) 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;
- d) 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;
- e) The directors had prepared the annual accounts on a going concern basis; and
 - f) 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.
 - g) 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.

POLICIES AND DISCLOSURE REQUIREMENTS:

In terms of provisions of the Companies Act, 2013 and pursuant to SEBI (LODR) Regulations 2015, the Company has adopted various policies/code of conduct such as Vigil Mechanism Policy, Nomination and Remuneration Policy, Risk Management Policy, policy for prevention of Sexual Harassment of Women at workplace, Code for Independent Directors, Policy on Related Party Transactions and Code of Conduct for prevention of Insider Trading. The same are placed on the website of the company at www.milestonefurniture.in.

VIGIL MECHANISM POLICY

Pursuant to the provisions of Section 177(9) & 177(10) of the Companies Act 2013, the Company has in place a well formulated Vigil Mechanism Policy to deal with instance of fraud and mismanagement, if any. The Purpose of vigil mechanism is to provide for adequate safeguards against victimization of persons who use such mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. The policy enables the employees, Directors and other stakeholders to raise their concern about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics.

There was no incident when the access to the Audit Committee was denied to any employees with respect to vigil mechanism.

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 organization 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. The policy has been placed on the website of the company at www.milestonefurniture.in.

STATEMENT REGARDING COMPLIANCE OF SECRETARIAL STANDARDS

During the year under review, your Company has duly complied with the applicable provisions of the Revised Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS2) issued by the Institute of Company Secretaries of India (ICSI).

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016).

During the year under review, no Corporate Insolvency Resolution application was made or proceeding was initiated, by / against the company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application / proceeding by / against the company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on March 31, 2023.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

Not Applicable

ACKNOWLEDGEMENT

Your Directors wish to place on record, their appreciation for the valuable assistance and support received by your Company from banks, financial institutions, the Central Government, the Government Authorities, Customers, Vendors and Shareholders. The Board also thanks the employees at all levels, for the dedication, commitment and hard work put in by them.

The Directors appreciate and value the contribution made by every member of the Milestone Furniture Family.

By order of the Board
For Milestone Furniture Limited

Date: 17.07.2024
Place: Palghar, Mumbai

Sd/-
Mayank Rasiklal Kotadia
(Whole time Director)
DIN: 07484438

MANAGEMENT DISCUSSION AND ANALYSIS

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

Milestone Furniture is a office furniture manufacturing company, comprising of professionals with many years of experience in this Industry. Milestone has been an important player in the furniture industry in Mumbai and surroundings and has been competing with renowned office furniture suppliers and manufacturers

The company now is contemplating adding more products to its catalogues especially in the home furnishing segments and is on advance level conversations with potential suppliers, distributors and key business partners regarding upcoming projects and plans in the coming year.

Furniture Business recorded an overall growth in home segments over the previous year but the business of office furniture saw an overall dip.

INTERNAL CONTROL SYSTEM AND THEIR ADEQAUCY

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

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

Human Resources and Industrial Relations

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

Material developments in Human Resources / Industrial Relations front, including number of people employed:

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development. There are currently 68 employees in the company.

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).

By order of the Board
For Milestone Furniture Limited
Sd/-
Mayank Rasiklal Kotadia
(Whole time Director)
DIN: 07484438

Date: 17.07.2024
Place: Palghar, Mumbai

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024
[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
Level 4, DYNASTY Business Park, A Wing,
Andheri-Kurla Raod, J.B. Nagar, Mumbai,
Maharashtra, India, 400059

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, 2024 generally not complied with the statutory provisions listed hereunder and also that the Company has not 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, 2023 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; **(Not Applicable to the Company during the Audit Period)**
 - 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 with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) 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 not generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and are adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines mentioned above subject to the following observations.

I further report that:

The Company has delayed in some cases and has failed in some cases to comply with certain applicable Regulations of the SEBI (LODR) Regulations, 2015.

1. *During the year under review, it has been observed that as required under Section 203 of the Companies Act, 2013 and rules made their under and Reg. 6 of SBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed entity shall have whole Company Secretary (Compliance Officer), during the year under review it has been observed that there is no whole time company secretary in the Company from 23.09.2023 to 01.01.2024.*
2. *Currently, on the date of issue of this report, the status of Company on BSE website is SDD Non-Compliant.*
3. *Annual Disclosure required under regulation 30(2) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011, during the period under review it has been observed that promoters of the Company didn't file the same to BSE Ltd.*
4. *Pursuant to Reg. 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entity shall publish such information in the newspaper, as listed below:-
a) financial results, as specified in regulation 33;
during the year under review, it has been observed that, Company have filed both half yearly financial results delayed.*

During the year under review, as per Reg. 33 of SEBI (LODR) Company failed to file Annual Financial Results for the year ending on 31.03.2023 and half year ends on 30.09.2023.

5. *The Company has not complied the provisions of the section 134 with respect to signing of financial.*

6. *During the period under review, it has been observed that, the Company fails to file e-form MGT-14 for adoption of accounts, appointment of Secretarial Auditor and Internal Auditor for the year ending on 31st March, 2023.*
7. *Pursuant to Reg. 17 of SEBI (LODR) the composition of the Board is not duly constituted, w.r.t. to optimum composition of Executive and non-Executive Director of the Company.*
8. *No secretarial record maintained by the Company including minutes book as required to be maintain under Sec. 118 of the Companies Act, 2013, including statutory registers.*
9. *During the year under review, it has been observed that Company fails to file e-Form AOC-4_XBRL and e-Form MGT-7 for the F.Y. 2022-23.*
10. *During the year under review, Company has not appointed internal auditor.*

I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under the laws and regulations applicable to the Company as referred hereinabove and verification of documents and records on test check basis.

I further report that the compliance by the company of the direct and indirect tax laws has not been reviewed during this audit as the same had been subject to review by the statutory financial audit and other designated professionals.

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 Director.

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 Amit H.V. & Associates

Sd/-

Amit Kumar

(Prop.)

M. No. 48528, COP: 21725

UDIN: A048528F000787783

Peer Review Code: 2445/2022

Date: 20.07.2024

Place: New Delhi

Annexure – I

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

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

To,

The Members,
Milestone Furniture Limited
Level 4, DYNASTY Business Park, A Wing,
Andheri-Kurla Raod, J.B. Nagar,
Mumbai, Maharashtra, India, 400059

Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31st March, 2024

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. I 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. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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 Amit H.V. & Associates

Sd/-
Amit Kumar
(Prop.)
M. No. 48528, COP: 21725
UDIN: A048528F000787783
Peer Review Code: 2445/2022

Date: 20.07.2024
Place: New Delhi

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.

I 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') vide CIN L36912MH2014PLC254131 having its registered office at Level 4, DYNASTY Business Park, A Wing, Andheri-Kurla Raod, J.B. Nagar, Mumbai, Mumbai, Maharashtra, India, 400059 have been debarred or disqualified as on March 31, 2024 from being appointed or continuing as directors of the Company by SEBI/Ministry of Corporate Affairs or any other statutory authority.

For Amit H.V. & Associates

Sd/-
Amit Kumar
(Prop.)
M. No. 48528, COP: 21725
UDIN:
Peer Review Code: 2445/2022

Date: 20.07.2024
Place: New Delhi



Milestone Group

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

I, TANMAY SINGH (DIN: 09488538), 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, 2023.

Date: 15.06.2024
Place: Mumbai

Tanmay Singh
Managing Director
(DIN: 09488538)



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MILESTONE FURNITURE LIMITED

Disclaimer of Opinion

We were engaged to audit the financial statements of **MILESTONE FURNITURE LIMITED** ("the entity"), which comprise the balance sheet as at March 31, 2024, the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. We do not express an opinion on the accompanying Ind AS financial statements of the entity. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

In continuation of Disclaimer of Opinion issued by us in our audit report dated 04.08.2023 for the financial year 2022-2023, we would like to state that the standoff between New Owners and management and the Old Owners and management continues. Hence the New Owners and Management are still unable to themselves comment or provide verifiable evidence on the reliability of assets, liability and results of Financial Operations. As on the date of our report the New management is still in the process of seeking clarity on the financial position and operation of the Company from the previous management and alternate means.

In view of the same we do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matter described above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the Standalone Financial Statements

Our responsibility is to conduct an audit of the entity's financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the entity.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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 paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. As described in the Basis for Disclaimer of Opinion paragraph, we sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law have been kept by the Company so far as appears from our

examination of those books;

- c. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Balance Sheet and the Statement of Profit and Loss including other comprehensive income, the Cash Flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- e. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid financial statements comply with the Accounting Standards under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f. The matter described in the Basis for Disclaimer of Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- g. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether any of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- h. With respect to adequacy of the internal financial control over the financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
- i. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether there is any violation of the provisions of section 197 read with Schedule V to the Act, regarding managerial remuneration.
- j. 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. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Company has disclosed the impact of pending litigations on its financial position in its financial statement;
 - ii. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Company is required to

transfer any amount to the Investor Education and Protection Fund

- k. Based on our examination, which include test checks, the Company has not used feature of recording audit trail (edit log) facility in its accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 throughout the year. As a result we cannot comment on any instance of the audit trail feature being tampered with during the course of our audit.

For S. Agarwal & Co.
Chartered Accountants
FRN: 000808N

SD/-
S.N. Agarwal
(Partner)
M. No. : 012103

Place: New Delhi
Date: 13.06.2024
UDIN: 24012103BKDHQE2913

"Annexure A" to the Independent Auditors' Report
(Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2024)

Annexure - A to the Auditors' Report

(Figure in thousands)

The Annexure A referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2024, we report that:

- 1) (a) We have not been able to obtain sufficient appropriate audit evidence as already specified in the Basis for Disclaimer of Opinion paragraph to comment on existence, valuation, Maintenance of records, physical verification, ownership and revaluation of Property, Plant and Equipment as shown in the Financial Statements

(b) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph we are unable to comment whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) (a) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to give an opinion on existence, ownership, valuation and verification of Inventory as shown in the financial statements as on 31.03.2024.

(b) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph we are unable to comment on whether during the year the company has been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets .
- 3) Due to lack of credible audit evidence we are not in position to comment on whether whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- 4) Due to lack of credible audit evidence we are not in position to comment on whether the company has advanced any loans, investments, guarantees, and security, in violation of provisions of section 185 and 186 of the Companies Act.
- 5) In absence of appropriate audit evidence we are unable to comment on whether the Company has accepted any deposits in violation of provisions of Section 73 and 76.
- 6) The maintenance of cost records as specified by the Central Government under subsection (1) of section 148 of the Companies Act is not applicable on the Company.

(Figure in thousands)

- 7) (a) In absence of appropriate audit evidence we are unable to state whether the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, value added tax, cess and any other statutory dues to the appropriate authorities and on whether there are any arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) Due to lack of audit evidence we cannot comment on whether there are any Statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.
- 8) Due to lack of credible audit evidence we are not in position to comment on whether there are any transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (9) (a) We have not been able to obtain sufficient appropriate audit evidence as already specified in the Basis for Disclaimer of Opinion paragraph to comment on default in payment of loans and borrowings by the Company, whether the Company has been declared a willful defaulter by banks and Financial Institutions, diversion and term of use of Loan funds.
- (b) Due to lack of credible audit evidence we are not in position to comment on whether whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (c) In absence of appropriate audit evidence we are unable to state whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies
- 10) (a) The Company during the year has not raised any money by way of initial public offer or further public offer (including debt instruments) therefore clause relating to diversion of said funds is not applicable.
- (b) The company during the year has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- 11) (a) We have not been able to obtain sufficient appropriate audit evidence as already specified in the Basis for Disclaimer of Opinion paragraph to comment on fraud by the company or fraud on the company during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(Figure in thousands)

(c) Due to lack of audit evidence we cannot comment on whether any whistle-blower complaints, have been, received during the year by the company;

- 12) The Company is not a Nidhi Company defined under section 406 of Companies Act 2013
- 13) Due to lack of audit evidence we cannot comment on whether transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and whether the details thereof have been disclosed in the financial Statements as required by the applicable accounting standards.
- 14) (a) We have not been able to obtain sufficient appropriate audit evidence as already specified in the Basis for Disclaimer of Opinion paragraph to comment on whether the company has an internal audit system commensurate with the size and nature of its business.

(b) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph we could not consider the reports of the Internal Auditors for the period under audit.
- 15) Due to lack of audit evidence we cannot comment on whether the company has entered into any non-cash transactions with directors or persons connected with him.
- 16) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934)
- 17) The company has incurred cash losses of 1496 in the current financial year and 150 in the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors during the year there we are not required to report in that respect.
- 19) We have not been able to obtain sufficient appropriate audit evidence as already specified in the Basis for Disclaimer of Opinion paragraph to comment on whether there is any material uncertainty on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- 20) Provisions of section 135 of the Companies Act 2013 relating to CSR activities regarding are not applicable on the Company

(Figure in thousands)

21) Reporting on any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements is not applicable in case of standalone financial statements

For S. Agarwal & Co.
Chartered Accountants
FRN: 000808N

Place: New Delhi
Date: 13.06.2024
UDIN: 24012103BKDHQE2913

S.N. Agarwal
(Partner)
M. No. : 012103

"Annexure B" to the Independent Auditors' Report
(Referred to in paragraph 2(f) of the independent auditor's report of even date on the financial statements of the company for the year ended March 31, 2024.)

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

We have audited the internal financial controls over financial reporting of **MILESTONE FURNITURE LIMITED** ("the Company") as of March 31, 2024 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 Board of Directors of the Company are 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" (the "Guidance Note") 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 Act.

Auditor's 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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we were unable to obtain audit evidence that can be considered 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

Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether 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 March 31, 2024, 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 S. Agarwal & Co.
Chartered Accountants
FRN: 000808N

S.N. Agarwal
(Partner)
M. No. : 012103

Place: New Delhi
Date: 13.06.2024
Udin: 24012103BKDHQE2913

Milestone Furniture Limited
Balance Sheet as at 31st March, 2024

(Figures in thousands)

S No.	Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
A	<u>ASSETS</u>			
(1)	Non-current assets			
	Intangible assets under development			-
	Tangible Assets	1	27,505	32,323
	Intangible assets		-	-
	Tangible Assets capital work in progress		16,503	16,503
	Total Fixed Assets		44,008	48,827
	Deferred Tax Asset (Net)		231	231
	(b) Non-current investments		-	-
	Financial Assets			
	(i) Long term loans and advances		50,036	50,036
	Sub-total - Non-current assets		94,274	99,093
(2)	Current assets			
	Inventories		25,015	25,015
	Financial Assets			
	(i) Trade receivables	2	44,824	44,824
	(ii) Cash and cash equivalents		278	278
	(iii) Short term loans and advances		78,892	78,892
	Other current assets		12,344	12,344
	Sub-total - Current assets		1,61,354	1,61,354
TOTAL ASSETS			2,55,628	2,60,447
B	<u>EQUITY AND LIABILITIES</u>			
(1)	Shareholder's funds			
	Share capital	3	92,970	92,970
	Reserves and surplus	4	1,56,564	1,62,879
	Sub-total - Shareholders' funds		2,49,534	2,55,849
(2)	Share application money pending allotment		-	-
	Minority Interest		-	-
(3)	Non-current Liabilities			
	Financial Liabilities			
	(i) Long-term borrowings	5	4,173	2,771
	Other Long-term liabilities		-	-
	Long-term provisions		-	-
	Sub-total - Non-current liabilities		4,173	2,771
(4)	Current liabilities			
	Financial Liabilities			
	(i) Short-term borrowings		-	-
	(ii) Trade payables	6	1,652	1,652
	Other current liabilities	7	269	175
	Short term provisions		-	-
	Sub-total - Current liabilities		1,921	1,827
TOTAL EQUITY AND LIABILITIES			2,55,628	2,60,447

Significant Accounting Policies & Other Notes 1-7, form an integral part of financial statements
As per our Audit Report of even date attached herewith

FOR S. AGARWAL & CO.
Chartered Accountants
Firm Regn. No. 000808N

for & on behalf of Board of Directors

S.N. AGARWAL
(Partner)
M.No. : 012103

Mayank rasiklal kotadia
(Director)
DIN 07484438

Vivek Yogeshwar Sonar
(Director)
DIN 07735642

Place : New Delhi
Date : 13.06.2024

Dhheraj Kumar Pandey
(Company Secretary)

Milestone Furniture Limited
Statement of Profit and Loss for the year ended 31st March, 2024

(Figures in thousands)

Sl. No.	Particulars	Note No.	Year ended 31st March 2024	Year ended 31st March 2023
	Income from operations			
a)	Net Revenue		-	-
b)	Other Operating Income		-	-
	Total Income from operations (Net)		-	-
	Total Expenditure			
a)	Cost of Materials Consumed		-	-
b)	(Increase)/Decrease in Finished goods, Stock-in-progress and Stock-in-trade		-	-
c)	Employee Benefits Expense	8	44	-
d)	Finance cost		-	-
e)	Depreciation and Amortization		4,818	6,411
f)	Other Expenses	9	1,452	150
	Total Expenditure		6,314	6,561
	Profit from operations before other incomes, finance costs and extraordinary items		(6,314)	(6,561)
	Other Incomes		-	-
	Profit from ordinary activities before finance cost and exceptional items		(6,314)	(6,561)
	Profit from ordinary activities (after finance cost but before exceptional items)		(6,314)	(6,561)
	Exceptional items		-	-
	Profit from ordinary activities before tax (after exceptional items)		(6,314)	(6,561)
	Tax expense:			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		-	-
	(e) Deferred tax		-	-
	Profit/ (Loss) for the period		(6,314)	(6,561)
	Earnings per Equity Share:			
	Basic and Diluted		(0.68)	(0.71)

Significant Accounting Policies & Other Notes 1-7, form an integral part of financial statements
As per our Audit Report of even date attached herewith

FOR S. AGARWAL & CO.

Chartered Accountants

Firm Regn. No. 000808N

for & on behalf of Board of Directors

S.N. AGARWAL

(Partner)

M.No. : 012103

Mayank rasiklal kotadia

(Director)

DIN 07484438

Vivek Yogeshwar Sonar

(Director)

DIN 07735643

Place : New Delhi

Date : 13.06.2024

Dhheraj Kumar Pamdey
(Company Secretary)

Milestone Furniture Limited

1. FIXED ASSETS

(Figures in Rupees)

FIXED ASSETS		GROSS BLOCK			DEPRECIATION			NET BLOCK			
		Balance as at 31.03.2022	Addition	Deletions	Balance as at 31.03.2023	Balance as at 31.03.2022	For the Year	Deduction during the Year	Balance as at 31.03.2023	Balance as at 31.03.2022	Balance as at 31.03.2023
Tangible Assets (A)											
1	Furniture & Fixture	50,58,756	-	-	50,58,756	43,84,037	1,97,153	-	45,81,190	6,74,719	4,77,566
2	Office Equipments	34,77,511	-	-	34,77,511	33,32,506	82,841	-	34,15,347	1,45,005	62,164
3	Computers	1,41,500	-	-	1,41,500	1,41,500	-	-	1,41,500	-	-
4	Plant and Machinery	4,19,60,476	-	-	4,19,60,476	1,00,46,122	61,30,747	-	1,61,76,869	3,19,14,354	2,57,83,607
5	Land	60,00,000	-	-	60,00,000	-	-	-	-	60,00,000	60,00,000
Total (A)		5,66,38,243	-	-	5,66,38,243	1,79,04,165	64,10,742	-	2,43,14,907	3,87,34,078	3,23,23,336

Milestone Furniture Limited

1. FIXED ASSETS

(Figures in thousands)

FIXED ASSETS		GROSS BLOCK			DEPRECIATION			NET BLOCK			
		Balance as at 01.04.2023	Addition	Deletions	Balance as at 31.03.2024	Balance as at 01.04.2023	For the Year	Deduction during the Year	Balance as at 31.03.2024	Balance as at 31.03.2023	Balance as at 31.03.2024
Tangible Assets (A)											
1	Furniture & Fixture	5,059	-	-	5,059	4,581	124	-	4,705	478	354
2	Office Equipments	3,478	-	-	3,478	3,415	28	-	3,443	62	34
3	Computers	142	-	-	142	141.50	-	-	141.50	-	-
4	Plant and Machinery	41,960	-	-	41,960	16,177	4,667	-	20,844	25,784	21,117
5	Land	6,000	-	-	6,000	-	-	-	-	6,000	6,000
Total (A)		56,638	-	-	56,638	24,315	4,818	-	29,133	32,323	27,505

Financial Statements for the Year ended 31st March, 2024**Trade Receivables**

Unsecured and considered good

As on 31st March, 2024*(Figures in thousands)*
As on 31st March, 2023

-Exceeding Six Months

44,824

44,824

-Within Six Months

Total**44,824****44,824****Share Capital***(Figures in thousands except no of shares)***Particulars****As on
31st March, 2024****As on
31st March, 2023****Authorised Share Capital**

1,00,00,000 Equity shares of Rs.10/- each

1,00,000

1,00,000

Issued, Subscribed, Paid-up Share Capital

92,97,000 Equity shares of Rs.10/- each fully paid

92,970

92,970

Total**92,970****92,970****The detail of the equity shares held by each shareholder holding more than 5% is as below:-**

Sl. No.	Name of the shareholder	As on 31st March, 2024 Number of shares held	As on 31st March, 2024 % of shareholding	As on 31st March, 2023 Number of shares held	As on 31st March, 2023 % of shareholding
1	JR Seamless Private Limited	5,40,000	5.81%	-	0.00%
TOTAL		5,40,000	5.81%	-	0.00%

Shares held by promoters as at 31.03.2024			Change during the year*
Promoter name	No. of Shares**	% of total shares**	
NOT APPLICABLE			
Total			

Shares held by promoters as at 31.03.2023			Change during the year*
Promoter name	No. of Shares**	% of total shares**	
NOT APPLICABLE			
Total			

Reserves and surplus**As on 31st March, 2024***(Figures in thousands)*
As on 31st March, 2023**General Reserve**

As per last Balance Sheet

1,62,879

1,69,439

Add: Transferred from Profit and Loss

(6,314)

(6,561)

Less: Previous Years Taxes

1,56,564

1,62,879

Financial Statements for the Year ended 31st March, 2024**Total****1,56,564****Total****1,62,879****Long Term Borrowings**

The long term borrowings other than installments payable during the next financial year are detailed below:-

*(Figures in thousands)***As on 31st March, 2024****As on 31st March, 2023****Unsecured Loans**

2,771

2,771

Loan From Director

1,402

Total**4,173****Total****2,771****Trade Payable***(Figures in thousands)***As on 31st March, 2024****As on 31st March, 2023**

MSME

NON M.S.M.E

1,652

1,652

Total**1,652****1,652****Other Current Liabilities***(Figures in thousands)***As on 31st March, 2024****As on 31st March, 2023**

Audit Fees payable

135

150

Tds Payable

30

Expenses Payable

79

Other Current Liabilities

25

25

Total**269****175****Employees Benefit Expenses***(Figures in thousands)***As on 31st March, 2024****As on 31st March, 2023**

Employee Remuneration

44

Total**44****-****Other Expenses***(Figures in thousands)***As on 31st March, 2024****As on 31st March, 2023**

Auditor Remuneration

150

150

Traveling Expenses

1,044

Rent

49

Legal Charges

182

Listing Expenses

27

Total**1,452****150**

Milestone Furniture Limited

NOTE 11: OTHER NOTES TO ACCOUNTS

(Figures in thousands)

11.1 **Contingent Liabilities and Commitments:** In continuation of the disclosure made in the financial statements of the financial year 2022-2023 dated 04.08.2023 the standoff between New Owners and management and the Old Owners and management continues hence the New management estimates the unknown liabilities of the Company not recorded in the books from Investors, Government Agencies and third parties at 50 Crore.

11.2 Due to continuous standoff between New Owners and management and the Old Owners and management, the new owners and management is not in a position to state whether any amount payable to Micro, Small and Medium Enterprises is overdue or not and whether there are any cases of delays in payments to Micro, Small and Medium Enterprise or of interest payments due to delays in such payments or not. Due reasons described above they are still in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprise Development Act, 2006.

11.3 Expenditure in Foreign Exchange: Nil

11.4 Earnings in Foreign Exchange: Nil

11.5

Name of Related Party	Relation	Nature of Transaction	Current Year Transactions	Last Year Transactions
Mayank Rasiklal Kotadia	Director	Loan from Director	1402/-	Nil

11.5 Earnings per Share:

Particulars	Current Year	Previous Year
Net Profit/(Loss) as per Statement of Profit & Loss (in Rs.)	(6314)	(6561)
Basic/Diluted weighted average number of equity shares outstanding during the year	9297	9297
Nominal value of Equity Share (Rs.)	10.00	10.00
Basic/Diluted Profit /(Loss) per Share (Rs.)	(0.68)	(0.71)

11.6 In continuation of the disclosure made in the financial statements of the financial year 2022-2023 dated 04.08.2023 the standoff between New Owners and management and the Old Owners and management continues. Hence the New Owners and Management are still unable to themselves comment or provide verifiable evidence on the reliability of assets, liability and results of Financial Operations. As on the date of our report the New management is still in the process of seeking clarity on the financial position and operation of the Company from the previous management and alternate means.

(Figures in Thousands)

11.7 Fair Value Measurements

The carrying amounts and fair values of the financial instruments by class are as follows:

Particulars	Carrying amount/Fair value	
	As at 31 st March, 2024	As at 31 st March, 2023
Financial assets		
<u>Carrying amounts/fair value:</u>		
a) <u>Measured at amortized cost</u>		
Non-current assets		
- Long term Loans & Advances	50,036	50,036
Current assets		
- Trade receivables	44,824	44,824
- Cash and cash equivalents	278	278
- Short Term Loans and Advances	78,892	78,892
Total	1,74,030	1,74,030

Financial liabilities		
<u>Carrying amounts/fair value:</u>		
a) <u>Measured at amortized cost</u>		
Non-current assets		
-Long Term Borrowings	4,173	2,771
Current liabilities		
- Trade Payables	1,652	1,652
- Other Current Liabilities	269	175
Total	6,094	4,598

(Figures in Thousands)

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The Company has disclosed financial instruments such as trade receivables, cash and cash equivalents, other bank balances, trade payables, other financial assets and liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.

11.8 Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

11.9 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents and other bank balances that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee.

This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

(Figures in Thousands)

The management reviews and agrees policies for managing each of these risks which are summarized as below:

(a) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include borrowings, security deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at March 31, 2023. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2023.

(i) Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's financial liabilities comprises of trade and other payables; however these are not exposed to risk of fluctuation in market interest rate as the rates are fixed at the time of contract/agreement and do not change for any market fluctuation.

(b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

i) Financial instruments and cash & bank deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits, bonds, debentures and mutual funds. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 is the carrying amounts which are given below. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

(Figures in Thousands)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
<u>Carrying amounts/fair value:</u>		
b) <u>Measured at amortized cost</u>		
Non-current assets		
- Long term Loans & Advances	50,036	50,036
Current assets		
- Trade receivables	44,824	44,824
- Cash and cash equivalents	278	278
- Short Term Loans and Advances	78,892	78,892
Total	1,74,030	1,74,030

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits, short term investments and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be very low.

11.10 Previous year figures have been regrouped / reclassified wherever it considered necessary.

For S. AGARWAL & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 000808N

For & On Behalf of Board

S.N Agarwal
(Partner)
M. No. 012103

Mayank rasiklal kotadia
Director
DIN- 07484438

Vivek Yogeshwar Sonar
Director
DIN- 07735643

Place: New Delhi
Date: 13-06-2023

Milestone Furniture Limited

SIGNIFICANT ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2024

1.1 COMPANY INFORMATION

Milestone Furniture Limited ('the Company') is a limited Company incorporated in India, with its registered office in Thane Maharashtra. The Company is listed on the the Bombay Stock Exchange (BSE).

The Company is into business of manufacturing and selling of Furniture.

The financial statements for the year ended March 31, 2024.

1.2 SIGNIFICANT ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

a. Compliance with Indian Accounting Standards (Ind – AS) :

The financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Companies (India Accounting Standards) Rules, 2015. For all the periods upto and including year ended March 31, 2022, the Company prepared, its financial statements in accordance with the Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous Indian GAAP').

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

b. Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the followings:

- Certain financial assets and liabilities that are measured at fair value.

c. Functional and presentation currency

The financial statements are prepared in Indian Rupees ('Rs.'), which is the Company's functional and presentation currency.

d. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is: -

- expected to be realized, or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within 12 months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within 12 months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities:

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle:

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e. Use of estimates and judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could result in outcomes that requires material adjustments to the carrying amount of the assets and liabilities in future period/s.

These estimates and assumptions are based on the facts and events, that existed as at the date of Balance Sheet, or that occurred after that date but provide additional evidence about conditions existing as at the Balance Sheet date.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

i. Useful lives of Property Plant and Equipment

The Property, Plant and Equipment are depreciated on a written down value basis over their respective useful lives. Management estimates the useful lives of these assets as detailed in Note- 3.1 below. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the profit in future years.

ii. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

iii. Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

iv. Impairment of non-Financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an assets' fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

2.2 Property, Plant & Equipment

Property, Plant & Equipment are accounted for on historical cost basis (inclusive of the cost of installation and other incidental costs till commencement of commercial production) net of recoverable taxes, less accumulated depreciation and impairment loss, if any. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are added to the existing asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of leasehold land is amortized over the period of lease.

Depreciation on property, plant & equipment is provided on a pro-rate basis on written down value basis, over the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The property, plant and equipment costing upto Rs. 5,000/- are fully depreciated during the year of addition. The asset's residual values, useful lives and method of depreciation are reviewed at the end of each reporting period and necessary adjustments are made accordingly, wherever required. In line with that the useful lives in the following cases which were different from those prescribed in Schedule II of the Companies Act, 2013 till 31.03.2023 have in the current financial year been adopted according to Schedule II of the Companies Act, 2013.

Asset	Percentage as assessed / estimated by the Company adopted till 31.03.2023	Percentage assessed as per Companies Act 2013 adopted from 01.04.2023
Land	Nil	Nil
Furniture & Fixtures	29.22%	25.89%
Office Equipment	57.13%	45.07%
Plant and Machinery	19.21%	18.10%

Based on usage pattern, internal assessment and technical evaluation carried out by the technicians, the management now believes that the useful lives as prescribed in Schedule II of the Companies Act, 2013 best represent the period over which the management expects to use these assets. Hence the management has revised its estimate of the useful life of depreciable asset in line with Schedule II of the Companies Act, 2013.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

2.3 Investment Property

Property that is held for long- term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are added to the carrying amount only when it is probable that it will increase its useful life. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Investment property is derecognized when either it has been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss arising on de-recognition of the investment property is included in the Statement of Profit and Loss.

Transfers are made to / from investment property only when there is a change in its use. Transfers between investment property is made at the carrying amount of the property transferred.

2.4 Financial Instruments

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

2.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term (three months or less from the date of acquisition), highly liquid

investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

2.6 Provisions and Contingent Liabilities

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balances sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

b) Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising as a result of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

2.7 Revenue Recognition

- a) Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.
- b) Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.
- c) Insurance claims are recognized to the extent the Company is reasonably certain of their ultimate receipt.
- d) Dividend income on investment is recognized when the right to receive dividend is established.
- e) Export Incentive such as duty drawbacks is recognized on post export basis on the basis of their entitlement rates.

- f) The Company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material based on such evaluation. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

2.8 Employee Benefits

Short Term Employee Benefits

All Employee benefits payable within twelve months of rendering the services are classified as short term benefits. Such benefits include salaries, wages, bonus, awards, ex-gratia, performance incentive/pay etc. and the same are recognized in the period in which the employee renders the related services.

2.9 Operating leases

Operating leases where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term are classified as operating leases. Operating lease rentals are recognized as an expense in the statement of profit and loss on straight line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor in expected inflationary cost increase.

2.10 Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the year end exchange rates. Exchange rate differences arising on settlement of transaction and translation of monetary items are recognized as income or expenses in the year in which they arise.

Non- monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Premium or discount on forward exchange contract is amortised as income or expense over the life of the contract. Exchange difference on such contract is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income or expenditure during the period.

2.11 Taxation

Tax expense for the year comprises of Current Tax and Deferred Tax.

a. Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

b. **Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2.12 Earnings per Share:

Basic earnings per share is calculated by dividing net profit of the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.