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**MILESTONE GLOBAL LIMITED**

Reg. Off: No at 54-B, Hoskote Industrial Area (KIADB), Chintamani Road, Hoskote – 562114, Karnataka  
Telephone: 080 27971334 Fax: 080 2797 1537 Website: www.milestonegloballimited.com

CIN - L85110KA1990PLC011082

**Notice**

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting (“AGM”) of the Members of Milestone Global Limited for the financial year 2013-14 will be held on Saturday, the 20<sup>th</sup> day of September, 2014 at Hotel Park Filed, No. 154, Doddanallura, Off Chintamani Road, Hoskote – 562 114, Karnataka at 11.00 a.m. to transact the following Business:

**ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2014 and the statement of Profit and Loss for the year ended on that date, together with the Report of Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. **Naveen Chawla**, Director who retires by rotation.

3. To appoint a Director in place of Mr. **Mayank Bughani**, Director who retires by rotation.

4. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution** relating to the appointment and remuneration of Statutory Auditors of the Company:

“**RESOLVED THAT** in conformity with the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, M/s. P L Tandon & Co., Chartered Accountants (Reg. No. 000186C), the retiring Auditors, be and are hereby, re-appointed as the Statutory Auditors of the Company, to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration as may be decided by the Board/Audit Committee of the Board, plus reimbursement of out-of-pocket expenses as may be incurred in the performance of their duties (excluding Service Tax, if any).”

**SPECIAL BUSINESS:**

**5. Appointment of Mr. Rajeev Kapoor as an Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, 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 Clause 49 of the Listing Agreement, **Mr. Rajeev Kapoor** (DIN- 01358390) and who has submitted a declaration under Section 149(7) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the date of this annual general meeting, whose term shall not be subject to retirement by rotation..”

**6. Appointment of Mr. Naveen Chawla as an Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, 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 Clause 49 of the Listing Agreement, **Mr. Naveen Chawla** (DIN-01754938) Director of the Company, who retires at this AGM and being eligible, has submitted a declaration under Section 149(7) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the date of this annual general meeting, whose term shall not be subject to retirement by rotation.”

**7. Appointment of Mr. Mayank Bughani as an Independent Director**

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

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“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, 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 Clause 49 of the Listing Agreement, **Mr. Mayank Bughani** (DIN-02809728) Director of the Company who retires at this AGM and being eligible, has submitted a declaration under Section 149(7) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the date of this annual general meeting, whose term shall not be subject to retirement by rotation.”

**8. Appointment of Ms. Sneha as a Director**

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

“**RESOLVED THAT**, pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Company, **Ms. Sneha** (DIN – 06955629) in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose her as a candidate for the office of a director of the Company, be and is hereby appointed as a director of the Company liable to retire by rotation.”

By order of the Board of Directors of  
**Milestone Global Limited**

Alok Krishna Agarwal  
Chairman

Date: August 22, 2014

Place: Hoskote

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ENSUING ANNUAL GENERAL MEETING (“MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

PROXIES IN ORDER TO BE EFFECTIVE, AN INSTRUMENT APPOINTING PROXY, FORMAT ENCLOSED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

PROXIES SUBMITTED ON BEHALF OF COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION AS APPLICABLE.

2 Members holding shares in electronic form are requested to intimate any changes in their address, e-mail id and signature to their respective Depository Participants, with whom they are maintaining their demat accounts. Members holding shares in Physical form are requested to intimate such changes to **Integrated Enterprises (India) Limited (“RTA”)**, the Company’s Registrar and Share transfer Agent.

3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses as set out in the Notice is annexed herewith.

4. Members/Proxies are requested to kindly take note of the following:

(i) Copies of Annual Report will not be distributed at the venue of the meeting;

(ii) Attendance Slip, as sent herewith, is required to be produced at the venue duly filled-in and signed, for attending the meeting;

(iii) In all correspondences with the Company/ RTA, Folio No. or DP & Client ID No., as the case may be, must be quoted.

5. The Register of Members and Transfer books of the company will remain closed from 16<sup>th</sup> September 2014 to 20<sup>th</sup> September 2014 (both date inclusive) as annual closure.

6. The Ministry of Corporate Affairs (vide Circular Nos. 17/2011 and 18/2011 dated 21 April and 29 April 2011, respectively), has undertaken a ‘Green Initiative’ and allowed companies to share documents with its shareholders through electronic mode. Therefore, Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the RTA.

7. Under the provisions of Sections 72 of the Companies Act, 2013, a shareholder is entitled to nominate, in the prescribed manner, a person to whom his shares in the company, shall vest after his lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility are requested to write to the Company/RTA.

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8. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend.

9. The Company will be disclosing to the Stock Exchanges, as per Clause 35A of the Listing Agreement, the details of results of voting on each of the resolutions proposed in this Notice.

10. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm except on holidays, up to and including the date of the ensuing AGM of the Company.

11. Pursuant to General Circular No.20/2014 dated June 17, 2014 issued by the Ministry of Corporate Affairs, Government of India, the e-voting process has not been considered as mandatory till December 31, 2014. Pursuant to Clause 35B of the listing agreement, the Company is providing facility of e-voting to all members as per the applicable regulations relating to e-voting. In this regard, a separate e-voting instructions slip has been sent to all the members explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such e-voting facility is in addition to voting that may take place at the meeting venue on September 20, 2014.

12. The e-voting period will commence from Monday, 15 September, 2014 at 9.00 a.m. and will end at 6.00 p.m. on Tuesday, September 16, 2014. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting sent separately. Once the vote on a resolution is cast by a shareholder, he shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their shares held in the paid up equity share capital of the Company.

13. The Company has appointed Mr. Ruchir Agarwal, a Lawyer, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

14. The results shall be declared after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the Annual General Meeting of the Company and will accordingly be communicated to the stock exchanges.

For **Milestone Global Limited**

Alok Krishna Agarwal

Chairman

Date: August 22, 2014

Place: Hoskote

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013**

**Item No. 5, 6 and 7**

Pursuant to the provisions of Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") with respect to appointment and tenure of the Independent Directors which came into effect from April 1, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The Term shall be effective prospectively.

The Board of Directors of the Company has decided to adopt and comply with the provisions of the Act and the amended Listing Agreement relating to with respect to appointment and tenure of Independent Directors.

All the Directors proposed to be appointed under these resolutions are Non-Executive Independent Directors of the Company. The period of office of these Directors was liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

In terms of Section 149 and all other applicable provisions, if any, of the Act, Mr. Rajeev Kapoor, Mr. Naveen Chawla, and Mr. Mayank Bughani, being eligible, offer themselves for appointment, and are proposed to be appointed as Independent Directors for a term as stated in the Resolutions.

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Mr. Rajeev Kapoor, Mr. Naveen Chawla and Mr. Mayank Bughani, non-executive independent directors of the Company, have submitted a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these Directors fulfil the conditions specified in the Act and Rules made there under for their appointment as Independent Directors of the Company and they are independent of the management. Further, these Directors are not disqualified from being appointed as a Director in terms of Section 164 of the Act and they have given their consent to act as Directors of the Company.

Notices have been received from members of the Company signifying their intention to propose the appointment of Mr. Kapoor, Mr. Chawla and Mr. Bughani along with a deposit of Rs.1,00,000/- each.

The Company has received from the above mentioned individuals (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

Further, the Board Governance, Nomination and Compensation Committee and the Board of Directors have recommended appointment of Mr Rajeev Kapoor, Mr. Naveen Chawla and Mr. Mayank Bughani as Independent Directors of the Company.

A brief profile of Independent Directors to be appointed, including nature of their expertise and other disclosure as required under Clause 49 of the Listing Agreement, hereunder.

**Profile of Mr. Rajeev Kapoor**

Mr. Rajeev Kapoor is a Chartered Accountant by profession. He is a fellow member of the Institute of Chartered Accountants of India and has more than 15 years of rich experience as a Chartered Accountant in finance operations covering Finance Planning & Analysis, corporate restructuring, Mergers & amalgamation and Taxation. His vast experience in the finance line would be of great help in framing the Company's financial strategies. It is felt confident that his induction in the Board as a Director will benefit your Company. He is the Chairman of the Audit committee of Board of the company and member of Remuneration/Compensation Committee of the board of the Company.

**Profile of Mr. Mayank Bughani**

Mr. Mayank Bughani is law graduate from Army Institute of Law, Mohali working for a leading legal firm. His experience includes i) researches on case laws relating to Law of contracts, Mergers and Acquisitions, Share Transfers, Oppression and Mismanagement of Companies, Indian Partnership Act, The Arbitration and Conciliation Act, The Companies Act, SEBI and RBI Regulations etc., issues involving FERA and FEMA regulations; ii) Drafting and Vetting of Appeals before the Supreme Court of India and the High Court of Delhi, Special Leave Petitions, Writ Petitions, Review Petitions, Revision Petitions, Curative Petitions, Suits, Rejoinders, Replies, Legal Notices, Consumer Complaints; iii) Appearances before, debt Recovery Tribunals, Company Law Board, State Consumer Dispute Redressal Commission, National Consumer Dispute Redressal Commission, District Courts, High Courts, and Supreme Court of India, BIFR and AAIIFR, Central Empowered Committee etc.

**Profile of Mr. Naveen Chawla**

Mr. Naveen Chawla aged 40 years is lawyer by profession and is currently an advocate of the Supreme Court of India. He has got vast experience in the legal field and therefore your directors feel that his induction in the Board as a Director will benefit your Company. He is a member of Audit committee and Remuneration/Compensation Committee of the board of the Company.

Except these Directors, being appointees or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions set out at item Nos. 5, 6 and 7.

The Board recommends the resolution in relation to the appointment of these Directors as Independent Directors, for the approval of the shareholders of the Company.

**Item No. 8**

Pursuant to the provisions of Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with rules made thereunder with respect to appointment of a Women Director which came into effect from April 1, 2014, it is proposed to appoint Ms. Sneha as a director of the Company. Ms. Sneha holds a graduate and is currently works with a reputed law firm in Delhi.

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The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Ms. Sneha for the office of Director, to be appointed as such under the provisions of the Companies Act, 2013.

The Company has received from Ms. Sneha (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Ms. Sneha as Director of the Company.

None of the Directors and Key Managerial personnel or their relatives is interested or concerned in the resolution except Ms. Sneha. The Board of Directors recommends the Ordinary Resolutions set out in Item No. 8 for approval by the members.

Date: August 22, 2014  
Place: Hoskote

For **Milestone Global Limited**  
Alok Krishna Agarwal  
Chairman



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**MILESTONE GLOBAL LIMITED**

Reg. Off: No at 54-B, Hoskote Industrial Area (KIADB), Chintamani Road, Hoskote – 562114, Karnataka  
Telephone: 080 27971334 Fax: 080 2797 1537 Website: www.milestonegloballimited.com

CIN - L85110KA1990PLC011082

**Sl.No.**

1. Name and address of the 1 <sup>st</sup> shareholder	
2. Joint-Holder(s)	
3. Folio/DP ID/ Client ID	
4. No. of shares held	

Dear Member,

Subject: Instruction for e-voting facility

The 24<sup>th</sup> Annual General Meeting (“AGM”) of the Company will be held at Saturday, the 20<sup>th</sup> day of September, 2014 at Hotel Park Filed, No. 154, Doddanallura, Off Chintamani Road, Hoskote – 562 114, Karnataka at 11.30 a.m.

The Notice of the above said AGM, Attendace slip and proxy form and instructions for e-voting are being sent by electronic mode to all the members whose e-mail addresses are registered with the Company/RTA and/or depository participant for communication purposes unless any member has requested for a hard copy of the same.

For members who have not registered their e-mail addresses, physical copies of all the above stated documents are being sent separately by the permitted mode.

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Milestone Global Limited (the “Company”) is pleased to provide the members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL). The procedure for e-voting is as under:

EVSN No. (Electronic Voting Sequence Number )	User ID	Password

A. In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li><li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li></ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cut off date</b> in the <b>Dividend Bank details field</b>.</li> </ul>
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- (i) After entering these details appropriately, click on “SUBMIT” tab.
  - (ii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (iii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (iv) Click on the EVSN for the relevant Milestone Global Limited on which you choose to vote.
  - (v) 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.
  - (vi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - (vii) 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.
  - (viii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (ix) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
  - (x) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
    - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
    - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- B. In case of members receiving the physical copy:
1. Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
  2. The voting period begins on <Date and Time> and ends on <Date and Time>. 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 <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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- C. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - D. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - E. The e-voting period commences on Monday, 15 September, 2014 at 9.00 a.m. and will end at 6.00 p.m. on Tuesday, September 16, 2014. During this period members of the Company, holding shares may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast, the member(s) shall not be allowed to change it subsequently.
  - F. The voting rights of the member shall be in proportion to their share in the paid-up equity share capital of the Company
  - G. Mr. Ruchir Agarwal, a lawyer, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - H. Institutional shareholders (Corporate/FIs/FIIs/Trust/Mutual Funds/Banks etc.) are required to send scan (PDF/JPEG format) of the relevant Board resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory/ies) who are authorised to vote, to the Scrutiniser on [callmeruchir@gmail.com](mailto:callmeruchir@gmail.com) marking a copy to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - I. The Scrutinizer shall within a period of not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes cast in the presence of at least 2 (two) witnesses not in the employment of the Company and prepare a Scrutinizer’s Report forthwith to the Chairman of the Company.
  - J. The Results shall be declared on or after the date of the AGM. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.milestonegloballimited.com](http://www.milestonegloballimited.com) and on the website of CDSL within 2 (two) days of passing of the Resolutions at the AGM of the Company and communicated to Stock Exchange.



**Form No. MGT-12****Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	Milestone Global Limited
Registered Office	Reg. Off.: No 54-B, Hoskote Industrial Area (KIADB), Chintamani Road, Hoskote – 562114, Karnataka, Telephone: 080 27971334 Fax: 080 2797 1537, Website: www.milestonegloballimited.com, CIN - L85110KA1990PLC011082

**BALLOT PAPER**

Sl. No.	Particulars	Details
1.	Name of the First Named Shareholder (Inblock letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares indematerialized form)	
4	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No. of share held by me	I assent to the resolution the	I dissent from resolution
1	Adoption and approval of annual accounts			
2	To appoint a Director in place of Mr. Naveen Chawla, Director who retires by rotation			
3	To appoint a Director in place of Mr. Mayank Bughani, Director who retires by rotation			
4	To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution relating to the appointment and remuneration of Statutory Auditors of the Company			
5	Appointment of Mr. Rajeev Kapoor as an Independent Director			
6	Appointment of Mr. Naveen Chawla as an Independent Director			
7	Appointment of Mr. Mayank Bughani as an Independent Director			
8	Appointment of Ms. Sneha as a Director			

Date: September 20, 2014

Place: Hoskote

Signature of the holder

**MILESTONE GLOBAL LIMITED**

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Telephone: 080 27971334 Fax: 080 2797 1537 Website: www.milestonegloballimited.com  
CIN - L85110KA1990PLC011082

**ATTENDANCE SLIP**

24<sup>th</sup> Annual General Meeting –Saturday, 20<sup>th</sup> September 2014

Name & Address of shareholder	DP Client Id No./Folio No.	No. of Shares held

I hereby record my presence at the 24<sup>th</sup> Annual General Meeting of the Company held on Saturday, the 20<sup>th</sup> day of September, 2014 at Hotel Park Filed, No. 154, Doddanallura, Off Chintamani Road, Hoskote – 562 114, Karnataka at 11.30 a.m.

If shareholder, please sign here	If proxy, please sign here

Shareholders/Proxies are requested to fill up the attendance slip and hand it over at the venue. Members/Proxies are also requested to bring their copy of Annual Report to the meeting as no copies will be distributed at the venue.

Note: No Gift/Gift Coupons/ Refreshment Coupons will be distributed at the Meeting

**Form No. MGT-11****Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L85110KA1990PLC011082
Name of the company:	Milestone Global Limited
Registered office:	No 54-B, Hoskote Industrial Area (KIADB), Chintamani Road, Hoskote – 562114, Karnataka

Name of the member (s) :	
Registered address :	
E-mail Id:	
Folio No/ Client Id :	
DP ID :	

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

1. Name :

Address :

E-mail Id :

Signature :....., or failing him

2. Name :

Address :

E-mail Id :

Signature :....., or failing him

3. Name :

Address :

E-mail Id :

Signature :.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual general meeting of the company, to be held on the on Saturday, the 20<sup>th</sup> day of September, 2014 at Hotel Park Filed, No. 154, Doddanallura, Off Chintamani Road, Hoskote – 562 114, Karnataka at 11.30 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Particulars of resolution	Number shares held	For	Against
1.	To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31 <sup>st</sup> March 2014 and the statement of Profit and Loss for the year ended on that date, together with the Report of Board of Directors and Auditors thereon			
2.	To appoint a Director in place of Mr. Naveen Chawla, Director who retires by rotation			
3.	To appoint a Director in place of Mr. Mayank Bughani, Director who retires by rotation			
4.	Approval of appointment and remuneration of Statutory Auditors of the Company			
5.	Appointment of Mr. Rajeev Kapoor as an Independent Director			
6.	Appointment of Mr. Naveen Chawla as an Independent Director			
7.	Appointment of Mr. Mayank Bughani as an Independent Director			
8.	Appointment of Ms. Sneha as a Director			

Signed this..... day of..... 2014

Signature of shareholder

Affix  
Revenue  
Stamp

Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

# Milestone Global Limited

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## Board of Directors

Mr. Alok Krishna Agarwal  
Mr. Fiaz Ahmed  
Mr. Rajeev Kapoor  
Mr. Naveen Chawla  
Mr. Mayank Bughani

Chairman  
Whole Time Director  
Independent Director  
Independent Director  
Independent Director

## Compliance Officer

Mr. Gururaj

## Statutory Auditors

M/s P L Tandon & Co. Kanpur

## Registered Office and Works

54-B, Hoskote Industrial Area (KIADB)  
Chintamani Road  
Hoskote -562 114, Karnataka

## R&T Agent

Integrated Enterprises India Ltd  
30, Ramana Residency,  
4th Cross, Sampige Road,  
Malleswaram, Bangalore 560003  
Phone: 080 – 23460815 – 818  
Fax: 080 23460819  
E-Mail:alfint@vsnl.com

## Bankers

State Bank of India  
Allahabad Bank

## Audit Committee

Mr. Rajeev Kapoor  
Mr. Naveen Chawla  
Mr. Alok Krishna Agarwal

Chairman  
Member  
Member

## Nomination and Remuneration Committee

Mr. Naveen Chawla  
Mr. Rajeev Kapoor  
Mr. Mayank Bughani

Chairman  
Member  
Member

## Stakeholders Relationship Committee

Mr. Mayank Bughani  
Mr. Alok Krishna Agarwal  
Mr. Fiaz Ahmed

Chairman  
Member  
Member

## Board of Directors- Subsidiary Companies

### Milestone Global (UK) Limited, UK

Mr. Alok Krishna Agarwal

Director

### Milestone Global (NZ) Limited, New Zealand

Mr. Alok Krishna Agarwal

Director

### Milestone Global (US) Inc, USA

Mr. Alok Krishna Agarwal

Director

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**DIRECTORS' REPORT**
**To the Members,  
Milestone Global Limited**

We are delighted to present the 24<sup>th</sup> annual report on our business and operations for the year ended March 31, 2014.

**1. Results of operations**

	(Rs. In Lakhs)	
	<b>2013-14</b>	<b>2012-13</b>
Net Sales /Income from Operations	714.11	471.62
Other Income	2.04	0.75
<b>Total Income</b>	<b>716.15</b>	<b>472.37</b>
Expenditure		
(Increase)/Decrease in stock in trade	14.62	06.18
Material Consumption	394.08	251.61
Staff Cost	60.83	72.13
Power and Fuel	24.78	23.01
Selling and Distribution Exp	25.72	17.95
Financial Cost	25.12	26.36
Depreciation	44.86	48.33
Other Expenditure	110.65	75.20
<b>Total Expenditure</b>	<b>700.66</b>	<b>520.77</b>
Net Profit (Loss) before exceptional item and tax	15.49	(48.40)
Profit (Loss) on Sale of Investment	00.00	00.00
Net Profit (Loss) for the year	15.49	(48.40)
Net Tax Expenses	1.26	5.95
Profit (Loss) after tax	14.23	(42.45)
Brought forward Profit (loss)	264.46	306.91
Balance Carried to Balance Sheet	278.70	264.46
Basic and diluted EPS (Rs.)	0.28	(1.08)

**2. The state of Company's affairs**

During the year under review, your company has earned its major market share and made profit. Despite of all odds, through out- sourcing of product processing the Company could record a turnover of Rs.714.11 Lakhs as against previous year turnover 471.37 Lakhs, and the net Profit before tax of Rs.15.49 lakhs as against the previous year net loss of Rs 48.41 lakhs. Further your board has applied adequate measure to bring down the overheads and expenses and increase its market share.

**Out sourcing of production activity**

As informed in our earlier report, due to piling up of orders from the clients and to honour the same, the company continues to out-source the processing activity to out-side agency on the principal to principal basis from July 2012 onwards. However, the Company continues to operate in procurement of raw material, marketing & sales.

**3. Dividend**

Due to foreseen of development of business in forthcoming financial year, your directors are decided not to declare any dividend. No fund was transferred to reserves.

**4. Fixed Deposits**

The Company has not accepted any fixed deposits during the year under review and, as much, no amount of principal or interest outstanding on the date of the Balance Sheet.

**5. Directors and Key Managerial Personnel's**

Mr. Naveen Chawla and Mr. Mayank Bughani, the Directors, are liable to retire by rotation at ensuing Annual General Meeting.

Your Company has received notices from members under Section 160 of the Companies Act, 2013 read with rules made thereunder along with deposit of Rs. 1,00,000/- each proposing candidature of Mr. Naveen Chawla, Mr. Mayank Bughani and Mr. Rajeev Kapoor, the Directors as Independent Directors of the Company as per the provisions of Companies Act, 2013 read with Listing Agreement for a period of five years. Hence, proposed resolutions

## Milestone Global Limited

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seeking their appointments as Independent Directors of the Company have been included in the Notice of the ensuing Annual General Meeting together with their brief profiles for members' approval.

Your Company has also received a notice from a member under Section 160 of the Companies Act, 2013 read with rules made thereunder along with deposit of Rs. 1,00,000/- proposing candidature of Ms. Sneha for the office of Director. Necessary resolution seeking member's approval towards this has been included in the notice of the Annual General Meeting.

The Board of Directors of your Company at its meeting held on August 12, 2014 has appointed following persons to hold offices as set opposite their names. These officers have been appointed as per the applicable provisions of the Companies Act, 2013 and rules made thereunder.

Sl. No.	Name of Officer	Effective Date of appointment	Office held
1.	Mrs. Alka Agarwal	September 1, 2014	Chief Executive Officer
2.	Mrs. Renu Sharma	September 1, 2014	Chief Financial Officer
3.	Mrs. Smita Tirpathi	September 1, 2014	Company Secretary

### 6. Subsidiary Companies

As a proven strategy the company continued to direct market its products for risk mitigation and shareholders wealth maximization. As on March 31, 2014 your company has total 3 (three) Subsidiaries as follows:

Milestone Global (UK) Limited, United Kingdom

Milestone Global (NZ) Limited, New Zealand

Milestone Global (US) Inc, United States of America

During the year under review, the overall performance of subsidiaries at US, UK, New Zealand was satisfactory.

### 7. Consolidated Financial Statements

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies. The holding company further undertakes to furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

### 8. Corporate Governance

For financial year 2013-14, the compliance report is provided in the Corporate Governance section of the Annual Report. The auditors' certificate on compliance with the mandatory recommendations of the committee is provided in the Annexure to the directors' report section. We have documented our internal policies on corporate governance. Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and ongoing process. In line with the committee's recommendations, the Management's discussion and analysis of the financial position of the Company is provided in this Annual Report

### 9. Auditor and Auditor's Report

The auditors, M/s P L Tandon & Co, Chartered Accountants, Kanpur (FRN: 000186C) retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed. The Company has received letters from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 139(2) of the Companies Act, 2013 and that they are not disqualified for reappointment within the said Act.

The Notes to Accounts forming part of the financial statements are self-explanatory and need no further elaboration. The qualifications and observations reported in the auditors' report, if any, are adequately addressed at appropriate place at notes of accounts.

### 10. Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars as prescribed under Sub-section (1)(e) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, are provided in the Annexure to the directors' report section.



The Notes to Accounts form part of the financial statements, the details of foreign exchange earnings and outgo are provided at notes to accounts at appropriate place.

**11. Particulars of Employees**

In accordance of provisions of Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time, there were no employees, throughout the financial year, who were in receipt of remuneration, which in the aggregate was not less than Rs 60,00,000/-or employed for a part of the financial year, was in receipt of remuneration at a rate, which was not less than Rs.5,00,000/-per month.

**12. Directors Responsibility Statement as required under Section 217 (2AA) of the Companies Act, 1956**  
Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the year ended March 31, 2014, the applicable accounting standards read with requirements set out under Revised Schedule VI to the Companies Act, 1956, 2013 have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the annual accounts of the Company on a going concern basis.

**13. Employees Relations**

Save as situation explained at Para 2 above, the overall relation with employees has cordial. The management has been striving to maintain the harmonious relations.

**14. Listing of shares**

The Equity Shares of the Company are listed in Bombay Stock Exchange. Listing fees for the year 2014-2015 have been paid to Bombay Stock Exchange Limited.

No share is in the Unclaimed Suspense Account till date of this report.

**15. Managements Discussion and Analysis Report**

Management's Discussion and Analysis report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

**16. Acknowledgements**

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

We thank the governments of various countries where we have operations. We also thank the Government of India, particularly the Customs and Excise Departments, the Income Tax Department, the Reserve Bank of India, the state governments, other government agencies for their support, and look forward to their continued support in the future

Place: Hoskote

Date: August 12, 2014

For and on Behalf of the Board

Alok Krishna Agarwal

Chairman

**ANNEXURE TO DIRECTORES' REPORT**

Particulars as required under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988

**A. POWER & FUEL CONSUMPTION**

As part of the Company's policy of the continuous improvement, various energy conservation measures have been pursued during 2013-14. There is a close monitoring of various processes as well as energy consumptions at the

# Milestone Global Limited

plant. A computerized control panel that maintains the power generations at optimum level giving higher fuel savings controls the power plant. The other measures taken to reduce the energy consumption are:

- Erection of Energy meters to monitor the power consumption
- Electrical Energy audit was carried out during the years by Separation

	2013-14	2012-13
<b>Electricity</b>		
a. Units from (KPTCL ) (In Qty	3,72,332	281,946
Total Amount ( KPTCL) (Rs.)	24,77,598	1,897,148
Average rate Unit.( Rs.)	6.65	6.73
b. Own Generation		
Through Diesel Generator( In unit )	11,688	11,688
Units for liter of diesel Oil	1.83	2.78
Average Rate/ Unit (Rs.)	30.50	18.59
Total (Rs.)	3,56,468	217,230

## B. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

The Company has been constantly involved in upgrading and modernizing its plant and machinery. The main motive is to offer exquisitely finished products with reduced lead times by installing equipment, with state-of-the-art technology.

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Detailed foreign exchange earnings and outgoings have been provided at notes to accounts at appropriate places.

For and on Behalf of the Board

Place: Hoskote

Date: August 12, 2014

Alok Krishna Agarwal  
Chairman

## Management Discussion and Analysis

The Management of Milestone Global Limited is pleased to present the following Management Discussion and Analysis Report which contains a brief write-up on the industry structure, opportunities and concerns, performance of the Company with respect to the operations other information. This chapter on Management Discussion and Analysis forms a part of the compliance report on Corporate Governance

### Indian Economy And Industry Overview

Recovering from the global meltdown effect of last two years, India is now poised and set to be the second fastest growing economy in the Asia Pacific Region. The productivity growth rate of Indian economy is estimated to be around 8% and it is expected to sustain until 2020. Infrastructure integrated with real estate development has been the backbone of such sustained growth and continues to be the focal point for our economy. High per Capita income resulting in high per capita spending is directly related to the demand of our products and we foresee a bright future ahead.

### Economic Overview (2013-14)

The overall GDP forecast for 2014-15 is estimated at 6.9%.

Soaring CPI due to increase in food prices, has undermined consumer spending. RBI has resorted to monetary tightening in an effort to curb inflationary pressure on the economy.

Due to improvement in the investment scenario and FDI expected in great volumes in the year 2014-15, it can be assured that India has escaped the global crisis and confidence has been gained in the economic prospects.

### Granite Industry-Structure and Developments:

Granite is increasingly being preferred over other stones due to its resistance to wear and tear as well as weathering which makes granite ever-lasting stone. The market potential is abundant and there are excellent prospects for the Indian Granite Industry to get its due share in the world market. India has one of the best granite deposits in the world having vast varieties comprising over 200 shades. India accounts for over 20% of the world resources in granite.

Granite reserves in India have now been estimated by Indian Bureau of Mines at over 42,916 million cubic meters. Splendid black and multi-colour varieties of granite are available in the states of Karnataka, Andhra Pradesh, Tamilnadu and Uttar Pradesh. Granite deposits are also widespread over provinces of Rajasthan, Bihar, West Bengal and Gujarat.

India continues to be one of the leading countries in the production and export of granite and other stones. Granite is a very hard crystalline, igneous or metamorphic rock primarily composed of feldspar, quartz and lesser amounts of dark minerals. India has vast resources of granite with about 125 varieties of different colors and textures such as black, grey, pink, multi colored etc. These varieties are used to produce monuments, building slabs, tiles, surface plates etc. About 125 varieties of granites have been identified for processing as products for exports. The deposits are widely spread over the entire country. However, popular varieties are mainly found in South India.

Granite is a non-scheduled industry and hence entrepreneurs are only required to submit Industrial Entrepreneur Memorandum. Looking at its export potential, Government of India has been encouraged setting up of 100% Export Oriented Units in this sector to promote export of value added granite products. Export of Granite and Marble is freely allowed. Granite is exported mainly to Japan, USA, UK, Germany, Netherlands, Italy, West Asia and Australia.

Over the last three decades the Indian granite industry has modernized to global standards. Sculptures and monuments made in India are being exported all over the world. With its skilled manpower and stone technology, India has contributed to the world prestigious monuments such as the Holocaust Museum and the Vietnam War Memorial in Washington; Hiroshima Atom Bomb Memorial in Japan and Black Forest of Germany.

By general consensus, India and Brazil have been blessed by nature with the widest variety of the most beautiful granites. Yet, when it comes to processing facilities, their development has been way below the potential. The volatile nature of the Brazilian economy with lost of uncertainty every two years or so, has discouraged investment. The market share of China in the international trade in granite has been steadily increasing in recent years. Only China remains a threat to other countries in the manufacture and export of granite.

Further, the global recession has dampened India's hopes for bigger exports. However during the year under review it is witnessed the slow recovery of economy across the globe.

#### **PROBLEMS RELATED TO GRANITE MINING INDUSTRY**

- **PRODUCTIVITY**

The main problem of Granite Mining Industry in India is the low productivity and high wastage. The granite mining industry in India is far behind in terms of productivity compared to countries like Italy, Brazil, Spain, Norway, South Africa etc. The low productivity is mainly due to conventional methods of mining adopted at present. The industry is slow in adopting the use of wire saws and slot drilling instead of conventional blasting burner. Though the wastage had come down to 23% in the year 1997 from 28% of the year 1993, and has reduced some more in the following years, there is still a long way to go to match international standards.

- **MODERNIZATION**

The main obstacle for the slow rate of modernizing the quarry is due to very high rate of import duty on capital equipment like diamond wire saw machines, drilling equipment and on consumables like diamond wire, drilling rods etc. To encourage the industry to modernize the quarry operations, the Government should consider granting mining industry 100% Export Oriented Unit status or full duty exemption for imports against export of blocks. Such help from the Government will not only make the quarry operations profitable but also can encourage entry of corporate companies into the granite sector.

- **LABORS MANAGEMENT**

The low productivity per worker and less man-hour utilization is another problem for the granite quarrying in India. The lack of exposure to modern quarrying and training for the Indian workers is a major reason for the low productivity of the workers. It is high time that Government and the industry should work together to establish a Training Institute to educate and train the work force, which will help the mining industry to a great extent.

- **INDUSTRIAL STATUS FOR GRANITE MINING**

The future of the granite mining industry depends on the immediate attention of both the Union and State Governments to the problems of the industry. The foremost step should to be declaring granite as a major mineral and granite mining as an Industry. Since the granite industry is one of the important sources of foreign exchange earning, it is high time the Government of India steps in to encourage the granite mining industry.

- **LEASING POLICY**

The Government should announce a long-term mining policy and stop frequent changes of leasing policies as adopted by various state Governments. Granite mining is a high-risk area where there is no guarantee on return on investment. The mining of a natural product requires a long period of time to develop the land and infrastructure and high investment for economical operations. Hence the leases of quarry lands should be on long-term basis of minimum of 30 years as in other countries like Spain etc. where it is normally ranging from 30 to 90 years, or in Brazil, where policies are even more liberal. It is impossible for any one to invest in machines and modernize the quarry in the absence of long time leasing.

- **EXPLORING NEW AREAS**

As per the geological survey, India has a vast area of abundant granite deposits of various colours that are still to be explored. The government should encourage entrepreneurs to explore the new areas on recommendations as stated above. Every effort should be taken by both the government and the granite industry to improve the country's share in the world market by exploring new areas.

The government should also guarantee free trading without imposing any restrictions on exports of blocks.

- **SIMPLIFICATION OF PROCEDURES**

The procedures of lease agreements, permits for movement of blocks, payments of royalty etc, must be simplified. Most of the times the dispatches are held up due to delay in getting the permits and particularly during holidays, strike etc. Since highly valuable goods are presently allowed on self-removal scheme, the granite blocks can also be allowed under the same scheme in place of the present permit system. This will avoid eliminating delays in dispatching blocks and meeting the delivery schedules of the buyers.

## **PROBLEMS RELATED TO GRANITE PROCESSING INDUSTRIES**

- **INFRASTRUCTURE DEVELOPMENT**

The existing infrastructure to meet the needs of the stone sector in India is extremely poor and inadequate for the growing demand. The infrastructure facilities like road, rails, electricity services, water sources need to be improved.

The movement of either the blocks from the quarries or the containers from the factories to the ports is always cumbersome. Quarry access roads are still not developed which restricts the sizes and the movements of the blocks. Even the highways are not sufficient for easy movement of trucks. The absence of spacious National Highways to reduce the traveling time as well as the safe travel is responsible for the slow growth of the stone industry. The planning of new ideas should be properly followed up with timely and proper implementation and continuous supervision or otherwise the main purpose is defeated.

The infrastructure is the backbone for any industry to operate economically and compete in the world market. Unless proper facilities are created for smooth traffic and movement of materials, further development will not be possible

- **AVAILABILITY OF BLOCKS**

The major problem highlighted by the processing industries is the non-availability of best quality blocks for the processing. As exporting of blocks is more advantageous due to high value realization, the processing companies are finding it difficult to buy certain colour granite blocks as per their requirement. The first quality blocks, which are free from defects and larger in size, are always given preference for exports. Hence the local processing factories have to depend on smaller size blocks, which resulted in high processing wastage, higher production cost and thereby, high selling price. This is one of the reasons for the less competitiveness of finished products in the world market. It must be the aim for both government and the industry to expand the processing capacity of the country to get more value addition.

- **MODERNIZATION AND UPGRADATION OF PROCESSING TECHNOLOGY**

The consistent modernization of the factory and upgrading of the processing technology by installing new machines will improve the productivity and reduce production cost.

For example, the use of diamond polishing abrasives replacing conventional abrasives will increase the belt speed of the line-polishing machine thus giving more production and higher polishing capacity with the same machine. Periodical maintenance of the machines is a must for the consistent quality and less downtime. This will reduce the raw material cost considerably as defective slabs and unwanted bushes of the blocks are eliminated at the quarry site.

- **FINANCIAL PROBLEMS**

The high rate of interest charged by the financial institutions should be reduced to make the Indian products more viable in the world market. The present interest rate of 9 to 15% for export industries should be brought down to below 5%, as in other countries. Incentives like liberal working capital norms, longer repayment schedules for loans etc. should be implemented immediately.

Rising production cost and decline in the dollar rates have seriously affected the export realizations and had a drastic impact on the profits of the Company. Economic slowdown in the US and cry by environmentalists to prevent damage on account of excess quarrying are other major threats to the granite industry

The major threat areas include:

1. The Economic slowdown in major countries.
2. Non Availability of best quality blocks for processing.
3. Frequent power disruptions and high dependency on diesel affecting the production and the cost of raw materials and finished goods.
4. Lack of Proper infrastructure.

**PROSPECTS FOR THE GRANITE INDUSTRY**

In Europe and Australia, Consistent quality control, and prompt deliveries to the buyers are very important to procure more orders and stay in business, new products with new design should be developed by constant up gradation of existing technology to sustain growth.

One of the most positive developments for the granite industry is the greater awareness of it among the architects, and its growing popularity in major projects. Whether it be office buildings, airports, commercial centers or even hotels, granites is becoming more and more popular for the big projects all over the world. The following factors are motivating the growth of granite industry

1. Introduction of Stones for new applications and utilities etc.
2. Spurt in demand for Indian Granites Worldwide.
3. Increased domestic demand.

Technologies advances and market competition has changed the basis feature of the industry the margins it works with. While granite has an image of a luxury product, in the production side, the processing industry has changed from being a low volume high margin one to a low margin high volume business.

- Today's subdued market situation is due to several factors. The economic crisis in Indonesia, Japan, Korea, Taiwan, Italy, USA and Thailand affected the exports to these countries. Also the recent introduction of synthetic stone like materials is affecting exports. The competition from China for rough blocks and finished products like slabs and monuments has contributed to the slow growth of exports from India.
- However the future for the granite industry for both blocks and finished products is encouraging. India can improve its export performance as the processing capacity is very low, with less than 5% of gangsaws installed in the world. The increase in export of blocks and finished products during the last year is an indication of the encouraging signs of market improvement. In spite of so many problems, the demand for granite products is increasing everywhere with consistent growth rate of consumption.
- India, which is blessed with various types of unique colours and large deposits of granite, is certain to get its due share in the ever-growing world market. Many countries are worried about the strong entrance of China in the market but the fact is that China landed up importing more rough blocks and finished products due to high domestic demand.

- The world wide improvement of transportation system with more and more bulk vessels will also help many countries to import more thereby boosting our exports.
- The demand for stone products is expected to continue increasing for the simple reason there is still a low level of consumption in many countries. The share of the stone industry is just 5% out of the world's annual consumption of 5 billion square meters and ceramics; wood, glass etc. occupy most of the market. Even a moderate increase of another 5% will increase hugely the demand for stone products.
- The export market for finished products and particularly for monuments is picking up in Europe and Australia. The consistent quality control and strict adherence of the delivery schedules of the buyers is most important to get more orders. The processing industries should try to concentrate on low thickness and pre heated surface materials, which is getting more and more popular. The construction materials with thickness less than 10 mm which will weigh not more than 20 kg are getting more popular. Hence such new products should be developed with upgrading of technology with the support of finance to sustain the growth. It is true that Indian industries should try to economize their operations to make the products competitive in the world market.
- The market potential is abundant and there are excellent prospects for the Indian granite industry to get its due share in the world market. The professional and realistic approach towards solving the practical problems and careful planning of facilities by the Industry and Government can make India the leading exporter of the world market. We have challenging years ahead but the potential for growth is beyond any reasonable doubt

### **Internal Control Systems and their adequacy:**

The Company has adequate system of internal control relating to the purchase of raw materials, Stores, Consumables and Packing Materials, and for the sale of goods commensurate with the size of the Company and the nature of business.

The system of internal control of the Company is adequate keeping in mind the size and complexity of your Company's business. Systems are regularly reviewed to ensure effectiveness.

The Audit Committee of the Company meets periodically to review and recommend quarterly, half yearly and annual financial statements of the Company.

### **Discussion on Financial Performance with respect to operational Performance:**

The Turnover achieved by the Company for the year ended 31.03.2014 is Rs 714.11 Crores compared to the Previous Year turnover of Rs 472.37 Crores showing an increase of Rs. 241.74 Crore. The Company has incurred net Profit of Rs. 14.23 lakhs as against a net loss Rs. 42.45 lakhs in the previous year. The Earning per Share has been increased to of Rs. 0.28 as against Rs -0.85 of the previous year.

### **Human Resources / Industrial Relations**

Save as situation explained at Board Report, the overall relation with employees has cordial. The management has been striving to maintain the harmonious relations.

### **Cautionary Statement**

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable securities laws and regulations.

As forward looking statements are based on certain assumptions and expectations of future events over which the Company exercises no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. Actual results could differ materially from those expressed or implied, significant factors that could make a difference to, the Company's operations include domestic and international economic conditions affecting demand, supply and price conditions in the industry the Company into, changes in government regulations, tax regimes and other statutes.

## **REPORT ON CORPORATE GOVERNANCE**

### **INTRODUCTION**

For us Corporate Governance is not a destination, but a journey, a journey wherein we seek to perpetually improve the conscience of the well balance interested of all the stakeholders as we walk the miles, spend the years, do create more world class monuments and spread our presence through continents to touch more and more lives and their memories. Further it is a blend of rules, regulations, laws and voluntary practices that enable Company to attract the financial &



human capital and perform more efficiently and effectively and thereby maximize the long term values for the shareholders besides respecting the aspiration of multiple stakeholders including that of society.

## 1. COMPANY'S PHILOSOPHY

Milestone Global Limited's philosophy on Corporate Governance envisages complete transparency and adequate disclosure with an ultimate aim of value creation for all stakeholders i.e. shareholders, employees, customers and the suppliers.

The Company's goal is to find creative and productive ways of delighting its stakeholders i.e., Investors, Customers, Vendors, and other Associates, while fulfilling the role of a responsible corporate representative committed to the best practices.

## 2. BOARD OF DIRECTORS

### a. Composition of Board

The current policy is to have optimum combination of Executive and Non-Executive directors to ensure the independent functioning of the Board. The Board consists of Five directors, Two of them are Executive Directors and three of them are Non-Executive Directors. The Chairman of the Board is a Executive Director who is related of promoter. Among non-Executive Directors three are independent directors.

The Board consists of following Directors during financial year ended March 31, 2014

Sl. No.	Name of Director	Director Identification (DIN)	Age	Category	No of other Directorships held in other Public Companies as on 31-03-2014		Number of Committee Chairmanships/ Membership held in other Public Limited Companies as on 31-03-2014	
					Chairman	Director	Chairman	Member
1	Mr. Alok Krishna Agarwal	00127273	50	Chairman	0	3	0	0
2	Mr. Fiaz Ahmed	02021233	64	ED	0	0	0	0
3	Mr. Rajeev Kapoor	01358390	48	NEID	0	0	0	0
4	Mr. Naveen Chawla	01754938	39	NEID	0	0	0	0
5	Mr. Mayank Bughani	02809728	32	NEID	0	0	0	0

MD-Managing Director, ED- Executive Director, NEID-Non-Executive Independent Director,

No director holds directorship in other companies more than ceiling limits prescribed under section 165 of the Companies Act, 2013. No director holds the Chairmanship or/and membership in the committees of board of directors more than ceiling limits prescribed at clause 49 of the listing agreement.

Relationship between Directors inter-se

Name of the Director	Relationship
Mr. Alok Kumar Agarwal	Brother of Mrs. Alka Agarwal, CEO of the Company

### a. Training of Board Members

New Directors appointed by the Board are given formal induction and orientation with respect to the Company's vision, strategic direction, and core values including ethics, corporate governance practices, financial matters and business operations. The new appointee is also facilitated with a tour of the Company's manufacturing facility to get familiar with the Company's operations.

The Board members are also provided with the necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are circulated to the Directors

## Milestone Global Limited

### b. Board Meetings

Five Board Meetings were held during the financial year ended March 31, 2014. These meetings were held on 29.05.2013, 27.07.2013, 13.11.2013, 11.02.2014 and 17.03.2014.

### d. Directors' Attendance Record

The attendance of Directors at the Board Meetings held during the financial year ended March 31, 2014 and at the previous Annual General Meeting.

Sl. No	Name of Director	Board Meetings during the period April 01, 2013 to March 31, 2014		Whether present at the previous AGM held on September 28, 2013
		Held	Attended	
1	Mr. Alok Krishna Agarwal	5	5	Yes
2	Mr. Fiaz Ahmed	5	5	Yes
3	Mr. Rajeev Kapoor	5	5	No
4	Mr. Naveen Chawla	5	5	No
5	Mr. Mayank Bughani	5	5	No

### e. Brief Profile of Directors being appointed in the Annual General Meeting to be held on September 20, 2014

Name	Mr. Sneha	Mr. Rajeev Kapoor	Mr. Naveen Chawla	Mr. Mayank Bughani
Age	27 Years	47 Years	41 Years	33 Years
No. of shares held in the Company	-Nil-	-Nil-	-Nil-	-Nil-
Qualification	B.A.	B.Com., FCA	B. A, LLB	
Expertise in Specific functional Area	Works with a reputed law firm in Delhi	has more than 15 years of rich experience in finance operations covering Finance Planning & Analysis, corporate restructuring, Mergers & amalgamation and Taxation.	Mr. Naveen Chawla aged 38 years is lawyer by profession and is currently an advocate of the Supreme Court of India. He has got vast experience in the legal field and therefore your directors feel that his induction in the Board as a Director will benefit your Company. He is a member of Audit committee and Remuneration/ Compensation Committee of the board of the Company.	Mr. Mayank Bughani aged about 32 years is Lawyer by profession having rich experience in the field of commercial and corporate legal. His induction to Board would be immense benefit to the company and the Board becomes more independent and professional. He is a member of Audit committee and Remuneration/ Compensation Committee of the board of the Company.
List of Public Limited Companies in which outside Directorship held	-Nil-	-Nil-	-Nil-	-Nil-

Chairman/Member of the Committee(s) of Board of Directors of the Company	-Nil-	Chairman of Audit Committee and member of Remuneration committee	Chairman of Audit Committee and member of Remuneration committee	Chairman of Audit Committee and member of Remuneration committee
Chairman/Member of the Committee(s) of Board of Directors of the other Companies in which he/she is a Director	-NIL-	-Nil-	-Nil-	-Nil-

Note: Directorships held by Directors mentioned above are as per latest disclosure received from respective director.

**f. Code of Conduct**

As per requirement of Clause 49 of the Listing Agreement with the stock exchange, the Board has laid down a code of conduct for all Board members, senior management personal and designated employees of the company. The code of conduct is made available at the Registered Offices. The same is expected to be placed at website of the company. All Board members and senior management personnel affirm compliance with the code on an annual basis and the declaration to that effect by the Mrs. Alka Agarwal–CEO is attached to this report.

A code of business conduct and ethics applicable to all the employees of the group has been communicated which are to be followed in day to day work life which will enable the employees to maintain highest standards of values in their conduct to achieve organizational objectives.

**g. Whistleblower Policy**

To maintain the high level of legal, ethical and moral standards and to provide a gateway for employees to voice concern in a responsible and effective manner about the serious malpractice, impropriety, abuse or wrongdoing within the organization. This mechanism was kept informed to all concerned.

**h. Risk Management**

The risk is an inherent aspect of any business. The granite industry is not an exception to this rule. The risk can be classified as Business Risks, Financial Risks, Legal and Statutory Risks, Organizational and Management risks and Political risks. The risk management function is integral to the Company and its objectives include ensuring the critical risks are identified continuously, monitored and managed effectively in order to protect the Company's businesses and ultimately the interest of all stakeholders.

**i. Subsidiary Companies**

All subsidiary companies of the Company are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors performance of subsidiary companies, inter alia, by the following means

- (a) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company
- (b) All minutes of Board meetings of the unlisted Indian subsidiary company are placed before the Company's Board regularly.
- (c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board

**3. AUDIT COMMITTEE**

The audit committee was constituted to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities pertaining to the financial statements.

It consists of three Non-Executive Directors among them two are independent directors and it is headed by Mr. Rajeev Kapoor, Chartered Accountant. The constitution of audit committee meets the requirement of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange.

## Milestone Global Limited

During the financial year ended on March 31, 2014, the committee met 4 times on 29.05.2013, 27.07.2013, 13.11.2013, 11.02.2014 and 17.03.2014. and the attendance of the members at the meetings of the committee is given below:

Name of the members	Status	No. of meetings	
		Held	Attended
Mr. Rajeev Kapoor	Chairman	4	4
Mr. Alok Krishna Agarwal	Member	4	4
Mr. Naveen Chawla	Member	4	4

The functions of the audit committee include:

- i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and also payment for other services.
- iii. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- vi. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- vii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- viii. Discussion with internal auditors any significant findings and follow up there on.
- ix. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- x. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xi. To look into the reasons for substantial defaults in the payment to shareholders (in case of non-payment of declared dividends) and creditors.
- xii. To review the functioning of the Whistle Blower mechanism.

#### 4. REMUNERATION COMMITTEE:

The constitution of remuneration committee meets the requirement of Companies Act and Clause 49 of the Listing Agreement with the Stock Exchange. During the financial year the remuneration was reconstituted. The committee presently consists of the following three Non-Executive Independent Directors. There was no meeting of committee during the year.

Name of Member	Status	No. of Meeting	
		Held	Attended
Mr. Naveen Chawla	Chairman	0	0
Mr. Mayank Bughani	Member	0	0
Mr. Rajeev Kapoor	Member	0	0

The terms of reference of the remuneration committee are as under:

- i. Meetings of the committee shall be held whenever matters pertaining to the remuneration payable, including any revisions in remuneration payable to Executive/ Non Executive Directors/ relative to directors
- ii. Payment of remuneration shall be approved by a resolution passed by the Remuneration Committee
- iii. All information about the Directors/Managing Director/whole time Directors. i.e. background details, past remuneration, recognition or awards, job profile shall be considered and disclosed to shareholders
- iv. The Committee shall take into consideration and ensure the compliance of provisions under the Companies Act, 2013 for appointing and fixing remuneration of Managing Director/ Whole time Directors.
- v. While approving the remuneration, the committee shall take into account financial position of the Company, Trend in the industry, qualification, experience and past performance of the appointee.
- vi. The Committee shall be in position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and the shareholders.
- vii. Following disclosure on the remuneration of Directors shall be made in the section on the Corporate Governance of the Annual Report.
  - All elements of remuneration package of all the Directors i.e. salary, benefits, bonus, stock options, pension etc
  - Details of fixed component and performance linked incentives, along with the performance criteria.
  - Service Contracts, notice period, severance fees.

### Remuneration Policy

Remuneration of the Executive Chairman, Managing Director or Executive Director is determined periodically by the Remuneration Committee within the permissible limits under the applicable provisions of law and as approved by shareholders. Non-Executive Directors paid sitting fees, if any, will be within the limits prescribed under law.

### 5. SHARE HOLDERS' GRIEVANCE COMMITTEE

The composition of Shareholders' Grievance committee meets the requirements of Clause 49 of the Listing Agreement with the Stock Exchange. The functions of committee include the matters relating to transfer and transmission of shares, issue of duplicate share certificates, review and redressal of investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. Details of shares transfers/transmissions approved by the committee and Shareholders'/investors' grievances are placed before the Board Meetings from time to time.

The Committee presently comprises of three Directors, Two- Independent and one non-Executive Director. General Manager is the Compliance officer of the Company.

During the financial year ended on March 31, 2014, the committee met 1 times on 02.10.2013 the attendance of the members at the meetings of the committee is given below:

The Committee during the year and the attendance of member at the meeting of the committee was as follows:

Name of the member		Status		No. of meetings
		Held	Attended	
Mr. Alok Krishna Agarwal	Chairman	1	1	
Mr. Fiaz Ahmed	Member	1	1	
Mr. Mayank Bughani	Member	1	1	

During the year under review, the Company had not received *any* request letters/ complaints from the investors.

### 6. DETAILS OF REMUNERATION PAID DURING THE FINANCIAL YEAR ENDED MARCH 31, 2014 TO THE DIRECTORS ARE FURNISHED UNDER.

#### i) Executive Directors

Name of the director	Salary (Rs.)	Perquisites (Rs.)	Sitting Fee (Rs.)	Total (Rs.)	No. of shares held
Mr. Fiaz Ahmed	2,67,600	Nil	Nil	2,67,600	NIL

#### (ii) Non Executive Directors

The Company does not pay any remuneration to its Non- Executive Directors.

# Milestone Global Limited

The Non-Executive Directors of the Company do not own any equity shares in the Company. The Company does not have any stock option plan or performance-linked incentive for the Directors.

## CEO and CFO Certificate

CEO Certificate the Board inter the accuracy of financial statement and adequacy of internal control for the financial reporting propose as required under clause 49 (v) of the listing agreement for the year ended March 31, 2014. The company does not have the CFO.

## 7. GENERAL BODY MEETINGS

Venue, date and time the Annual General Meetings held during the preceding three years and the Special Resolutions passed at are as under.

Year	Venue	Date and Time	Special Resolution
2012-13	Bhagini Place, No. 210 1 <sup>st</sup> main, ESI Hospital Road, Indiranagar Bangalore – 560 038	28.09.2013 11.00 A.M.	No special resolution passed
2011-12	Nandhini Palace, No. 4034, 100Ft Road, Indiranagar, (Near Old Airport Fly Over), Bangalore - 560 038, Karnataka	29-09-2012 10.30 A.M.	No special resolution passed.
2010-11	54-B, Hoskote Industrial Area (KIADB), Chintamani Road, Hoskote - 562114, Karnataka	24-09-2011 10.30 A.M.	One Special resolution passed regarding payment of remuneration to Managing Director

No special resolution was put in the last AGM

The Company has been passed a Special resolution through postal ballot with regard to commencement of Business which is there in other objects. During the year 2013-14, there is no extra ordinary general meeting has been held.

## 8. DISCLOSURES

a. Disclosure on Materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large:

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Notes on Accounts -

Notes 26 of Notes of Account, forming part of the Annual Report covered related parties transactions. The Company's major related party transactions are generally with its subsidiaries. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, the Company's long term strategy for sectoral investments, optimization of market share, profitability, legal requirements, and liquidity and capital resources of subsidiaries.

All related party transactions are negotiated on arm length basis and are intended to further the interests of the Company.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

c. During the last three years there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to capital markets.

## 9. MEANS OF COMMUNICATION

*Annual Report:* Annual Report containing, inter alia, Audited Annual Accounts, including subsidiary companies Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report, Management Discussion and Analysis, Corporate Governance Report and other important information is circulated to members either by post/ courier.



*The Quarterly Results:* Quarterly results are generally published in leading newspapers the Business Standard / "Financial Express" (English Daily) and Sanjevani (A regional daily in Kannada language) within forty-eight hours of approval thereof. The same are sent to BSE for posting at BSE website.

## 10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

MDA forms part of the Director's Report and the same is attached separately in this Annual Report.

## 11. GENERAL SHAREHOLDERS INFORMATION:

### a) **Ensuing Annual General Meeting**

The 24<sup>th</sup> Annual General Meeting of the Company will be held on 20<sup>th</sup> September, 2014 at 11:30 AM at Registered Office at 54-B, HOSKOTE INDUSTRIAL AREA, CHINTAMANI ROAD, HOSKOTE- 562 114, Karnataka

### b) **Registered Office and works**

The registered office and works are situated at Plot No.54B, Hoskote Industrial Area (KIADB), Chintamani Road, Hoskote-562114, Karnataka  
Phone: 080- 27971334; Fax: 080-27971537  
Email: gururaj@milestonegloballimited.com

### c) **Postal Ballot:**

The provisions relating to Postal ballot/E-Voting will be complied with in respect of matters wherever applicable.

### d) **Tentative Financial Calendar**

The Financial year is 1<sup>st</sup> April to 31<sup>st</sup> March and financial results are proposed to be declared as per the following tentative schedule.

<i>Results for the quarter ended</i>	<i>Tentative Schedule</i>
June 30, 2014	2 <sup>nd</sup> week of August 2014
September 30, 2014	2 <sup>nd</sup> week of November 2014
December 31, 2014	2 <sup>nd</sup> week of February 2015
March 31, 2015	3 <sup>rd</sup> week of May 2015

### e) **Listing on Stock Exchanges:-**

The names and address of the stock exchange at which the equity shares of the Company are listed and the respective stock code is as under

Sl. No.	Name of the Stock Exchange	Stock Code / ISIN
1.	Bombay Stock Exchange Phiroze Jeejeebhoy Towers, Dalal Street MUMBAI – 400 001	531338 / INE151H01018

### f) **Date of Book Closure**

The Register of Members and Transfer books of the Company will remain closed from Thursday, September 16, 2014 to Saturday, September 20, 2014 (both days inclusive) for the purpose of the 24<sup>th</sup> Annual General Meeting.

### g) **Listing fee**

The Company has paid Annual Listing Fees for the year 2014-15 to Bombay Stock Exchange Limited, Mumbai where the equity shares of the Company are listed.

### h) **Stock Market Data**

Stock market data regarding Company's share is not available since there is no frequency of trading in the shares of the Company in the stock exchanges.

### i) **Registrar and Transfer Agent & Share Transfer System**

During the year, the existing Registrar and share Transfer Agent had merged Integrated Enterprises India Ltd (their group Company). The company accepted M/s Integrated Enterprises India Ltd as new Registrar and Share Transfer Agent. The transfer of shares in physical form and other communication regarding share certificates, dividends and change of address etc may be addressed to:

## Milestone Global Limited

Integrated Enterprises India Ltd  
30, Ramana Residency,  
4th Cross, Sampige Road, Malleswaram,  
Bangalore 560003  
Phone: 080 – 23460815 – 818  
Fax: 080 23460819  
E-Mail:alfint@vsnl.com

Shares sent for physical transfers are generally registered and returned within a period of 15 days from the date of receipt if the documents are clear in all respect. The Share Transfer and Investors Grievance Committee meets as and when required.

### j) Distribution of Shareholdings

CATEGORY	No. of Shreholders	% (Percentage)	No. of Shares held	% (Percentage)
Up to 5000	625	95.57	442717	8.82
5001 10000	8	1.22	57648	1.15
10001 20000	3	0.46	45350	0.90
20001 30000	1	0.15	20490	0.41
30001 40000	6	0.92	233300	4.65
40001 50000	0	0.00	0	0.00
50001 100000	6	0.92	487500	9.72
100001 and Above	5	0.76	3730495	74.35
<b>TOTAL</b>	<b>654</b>	<b>100.00</b>	<b>5017500</b>	<b>100.00</b>

### k) Dematerialization of Shares

The Company's shares are compulsorily traded in dematerialized form as per the Securities and Exchange Board of India (SEBI). The Company has obtained the electronic connectivity of its equity shares with both NSDL and CDSL. Members can demat their shares by opening an account with any of the depository participants of NSDL and CDSL across the country.

### l) Address for Correspondence:

Mr. Gururaj  
Compliance Officer  
Milestone Global Limited. 54B,  
Hoskote Industrial Area (KIADB),  
Chintamani Road, Hoskote-562114, Karnataka,  
Phone: 080- 27971334/ 1345.  
E-Mail: alkasgl@yahoo.com

### m) Outstanding GDRs/ADGRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.

Not applicable

### n) Prevention of Insider Trading:

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has instituted a comprehensive code of conduct for prohibition of insider trading in the Company's shares.

### o) Secretarial Audit for Reconciliation of Capital

As stipulated by SEBI, a qualified practicing company secretary carries out the secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL) and the total issued and paid-up capital. This audit is carried out every quarter and the report there on is submitted to the stock exchanges, NSDL and CDSL.

The audit, inter alia confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

**p) Corporate Identity Number (CIN)**

The Company is registered in the State of Karnataka, India. Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA), the Government of India is L85110KA1990PLC011082.

**q) Compliance Certificate of the auditors**

Certificate from the auditors of the Company, M/s P L Tandon, Chartered Accountants, Kanpur confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is annexed herein after.

**r) Unclaimed Shares**

As per the provisions of Clause 5A(a) of Listing Agreement, the unclaimed shares laying in the escrow account shall be transferred to demat suspense account if there is not response even after sending three reminder notices to the persons concerned. As on March 31, 2014 there are not unclaimed equity shares of the Company.

**s) Other useful information to the shareholders**

- i. Members holding share in physical are requested to notify to the Company, change in their registered address and bank account details promptly by written request under the signature of sole / first joint holder.
- ii. Members holding shares in electronic form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney etc., directly to their Depository Participant (DP) as the same are maintained by them.
- iii. In case of lost/ misplacement of shares, a complaint shall be lodged with the police station and an intimation to this effect shall be sent, to the Company along with an original or certified copy of fir / acknowledgement of the complaint.
- iv. For expediting transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, the registration number of power of attorney should be quoted in the transfer deed at appropriate place.
- v. Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of the scrip-less trading, members are encouraged to consider dematerialization of their shares so as to avoid inconvenience in future.

**12. Adoption of Mandatory and Non-Mandatory Requirements of Clause 49**

The Company has complied with all mandatory requirements and has adopted following non-mandatory requirements of Clause 49.

**13. Nomination and Remuneration Committee**

The Company has constituted Remuneration Committee to recommend / review remuneration of the Managing Director and Whole- time Directors based on their performance and defined assessment criteria.

\*\*\*\*\*

To

The Members of Milestone Global Limited

Sub: - Declaration by the CEO under Clause 49(I) (D) (II) of the Listing Agreement.

I, Alka Agarwal, Chief Executive Officer of Milestone Global Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the code of conduct of the Company the year ended March 31, 2014.

Place: Hoskote  
Date:12.08. 2014

Sd/-  
Alka Agarwal  
Chief Executive Officer

\*\*\*\*\*

**Auditor's Certificate on Corporate Governance**

To the Members of  
**MILE STONE GLOBAL LIMITED**

We have examined the compliance of conditions of Corporate Governance by MILE STONE GLOBAL LIMITED for the year ended 31<sup>st</sup> March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said clause, it is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We state that such compliance 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 P.L. TANDON & CO.,  
CHARTERED ACCOUNTANTS  
Registration No. 000186

Place: Kanpur.  
Date: 29-05-2014

RAJENDRA KUMAR GUPTA  
(Partner)  
Membership No. 73250

## CERTIFICATE BY CEO/CFO

To  
The Board of Directors  
Milestone Global Limited

I, Alka Agarwal, Chief Executive Officer of the company, to the best of my knowledge and belief, certify that:

1. I have reviewed the Balance Sheet and Profit and Loss account (standalone and consolidated), and all the schedules and notes on accounts, as well as the Cash Flow statements, and the Directors' report.
2. Based on my knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made.
3. Based on my knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations
4. To the best of my knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
5. I am responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and I have:
  - a) Designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared.
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, 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 (GAAP).
  - c) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. I have disclosed based on my most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions) :
  - a) There were no deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.

- b) There were no significant changes in internal controls during the year covered by this report.
- c) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
- d) There were no instances of fraud of which I am aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. In the event of any materially significant misstatements or omissions, I will return to the Company that part of any bonus or incentive or equity-based compensation, which was inflated on account of such errors.
8. I affirm that I have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and I have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
9. I further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Place: Hoskote

Date: 12.08.2014

**Alka Agarwal**

Chief Executive Officer

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILESTONE GLOBAL LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of MILESTONE GLOBAL LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion 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. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013
  - e. On the basis of written representations received from the directors as on March 31, 2014, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



Place : KANPUR

Date: 29-05-2014

For P.L. TANDON & Co.  
Chartered Accountants  
Registration Number: 000186C

RAJENDRA KUMAR GUPTA  
(Partner)  
Membership No. 73250

**ANNEXURE TO THE AUDITORS' REPORT**

**Re: MILESTONE GLOBAL LIMITED**

**Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date**

**i) In respect of its Fixed Assets :**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the Company has not made substantial disposal of fixed assets during the year.
- (ii) In respect of its Inventories :
- (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and discrepancies noticed on verification between physical stocks and the book records were not material.
- (iii) In respect of loans, secured or unsecured, granted or taken by the Company to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, according to the information and explanations given to us:-
- (a) The Company had granted interest free unsecured loans to a Company. The maximum amount involved during the year was Rs53.75. Lacs and the year end balance of such loan granted was Rs. 50.75 Lacs.
- (b) The above loans is interest free and other terms and conditions on which loan has been granted to such party are not prima facie prejudicial to the interest of the Company.
- (c) No terms and conditions for repayment of the loan are stipulated .
- (d) There is no overdue amount of such loans.
- (e) The Company has not taken any Loan from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. As the Company has not taken any Loans, Secured or Unsecured, from parties listed in the register maintained under section 301 of the Companies Act, 1956, the provisions of clause 4(iii)(f) and (g) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956 :
- (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. Five Lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the provisions of sections 58A and 58AA and other relevant provisions of the Companies Act, 1956. Accordingly, the provisions of Clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (viii) The Central Government has not prescribed the maintenance of cost records by the Company under section 209(1)(d) of the Companies Act, 1956 for any of its products.
- (ix) According to the information and explanations given to us, in respect of statutory and other dues:
- (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, services tax, custom duty, excise duty were in arrear as at 31<sup>st</sup> March, 2014 for a period more than six months from the date they became payable:
- (c) According to the information and explanations given to us, there is no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by our audit but has incurred cash losses in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank.
- (xii) As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
- (xiii) In our opinion, the Company is not a Chit Fund or a Nidhi Mutual Benefit Fund / Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities and debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no fund raised on short term basis have been used for long term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- (xix) As the Company has no debenture outstanding at any time during the year, the provisions of Clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : KANPUR

Date: 29-05-2014

For P.L. TANDON & Co.  
Chartered Accountants  
Registration Number: 000186C

RAJENDRA KUMAR GUPTA  
(Partner)  
Membership No. 73250

<b>BALANCE SHEET AS AT</b>			
	<b>NOTE NO.</b>	<b>31.03.2014 Rs.</b>	<b>31.03.2013 Rs.</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUNDS</b>			
Share Capital	<b>2</b>	50,175,000	50,175,000
Reserves And Surplus	<b>3</b>	27,869,457	26,446,306
		<b>78,044,457</b>	<b>76,621,306</b>
<b>NON CURRENT LIABILITIES</b>			
Long Term Borrowings	<b>4</b>	640,436	-
<b>CURRENT LIABILITIES</b>			
Short Term Borrowings	<b>5</b>	24,353,744	26,223,485
Trade Payables	<b>6</b>	977,540	1,630,617
Other Current Liabilities	<b>7</b>	2,756,070	2,568,505
		<b>28,087,354</b>	<b>30,422,607</b>
<b>TOTAL</b>		<b><u>106,772,247</u></b>	<b><u>107,043,913</u></b>
<b>ASSETS NON-CURRENT ASSETS</b>			
Fixed Assets	<b>8</b>		
Tangible Assts		33,496,912	35,929,119
Capital Work in Progress		2,425,000	-
Non-Current Investments	<b>9</b>	7,150,874	7,150,874
Deferred Tax Assets (Net)	<b>10</b>	1,811,500	1,637,789
Long-Term Loans And Advances	<b>11</b>	6,588,813	7,115,413
		<b>51,473,099</b>	<b>51,833,195</b>
<b>CURRENT ASSETS</b>			
Inventories	<b>12</b>	22,212,000	23,889,000
Trade Receivables	<b>13</b>	18,480,498	13,216,654
Cash And Cash Equivalents	<b>14</b>	1,801,417	1,995,926
Short-Term Loans And Advances	<b>15</b>	12,805,233	16,109,138
		<b>55,299,148</b>	<b>55,210,718</b>
<b>TOTAL</b>		<b><u>106,772,247</u></b>	<b><u>107,043,913</u></b>

**Significant Accounting Policies And Notes  
On Financial Statement**

**1-37**

As per our report of even date attached  
For P.L. Tandon & Co.

For and on behalf of Board of Directors

Chartered Accountants

Sd/-

**RAJENDRA KUMAR GUPTA**

( Partner )

Sd/-

**Alok Krishna Agarwal**

(Director)

Sd/-

**Fiaz Ahmed**

(Executive Director)

**Place: Hoskote**

**Date: 29.05.2014**

# Milestone Global Limited

## PROFIT & LOSS STATEMENT FOR THE YEAR ENDED

<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>2013-2014 Rs.</b>	<b>2012-2013 Rs.</b>
<b>REVENUE FROM OPERATIONS</b>			
Revenue From Operations	<b>16</b>	71,411,916	47,137,260
Other Income	<b>17</b>	203,792	99,958
<b>TOTAL REVENUE</b>		<b>71,615,708</b>	<b>47,237,218</b>
<b>EXPENSES</b>			
Cost Of Material Consumed	<b>18</b>	39,408,060	25,160,826
Changes In Inventories Of Finished Goods And Work-In-Progress	<b>19</b>	1,462,000	618,000
Employee Benefits Expenses	<b>20</b>	6,082,586	7,213,305
Finance Costs	<b>21</b>	2,512,216	2,635,682
Depreciation And Amortization Expense	<b>22</b>	4,486,157	4,833,342
Other Expenses	<b>23</b>	16,115,249	11,617,065
<b>TOTAL EXPENSES</b>		<b>70,066,268</b>	<b>52,078,220</b>
Profit Before Tax		1,549,440	(4,841,002)
<b>Tax Expense</b>			
Current Tax		(300,000)	-
Deferred Tax Credit		173,711	596,000
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>1,423,151</b>	<b>(4,245,002)</b>
Earning Per Equity Share Of Rs. 10 Each			
Basic		0.28	(0.85)
Diluted		0.28	(0.85)
Significant Accounting Policies And Notes On Financial Statement			
	<b>1-37</b>		

As per our report of even date attached  
For P.L. Tandon & Co.

Chartered Accountants  
Sd/-  
**RAJENDRA KUMAR GUPTA**  
( Partner )

For and on behalf of Board of Directors

Sd/-  
**Alok Krishna Agarwal**  
(Director)

Sd/-  
**Fiaz Ahmed**  
(Executive Director)

**Place: Hoskote**

**Date: 29.05.2014**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014

## 1) SIGNIFICANT ACCOUNTING POLICIES:

## i) Accounting Concepts:

The Company follows the mercantile system of accounting recognizing Income and Expenditure on accrual basis. The Accounts are prepared on Historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles in India and the applicable Accounting Standards issued by the Institute of Chartered Accountants of India.

## ii) Depreciation:

Depreciation on Fixed Assets is provided on Written Down value basis at the rates and in the manner given in Schedule XIV of the Companies Act, 1956.

## iii) Investments:

Long term investments are valued at cost. A provision for diminution is made to recognize a decline other than temporary, in the value of long term investments.

## iv) Inventories:

Inventories are valued at the lower of cost and net realizable value. The cost is determined by using First in First out (FIFO) basis and includes appropriate allocation of production overheads.

## v). Foreign Exchange Transactions:

Foreign Currency transactions are recorded at the rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities are translated at year end rates. Exchange difference arising on settlement of transactions and translation of monetary terms are recognized as income or expense in the year in which they arise.

Investment in subsidiary company is expressed in Indian Rupees at the rate of exchange prevailing on the date of investment.

## vi). Revenue Recognition:

Revenue in respect of sale is recognized when goods are identified as ready for sale and corresponding invoice is raised. Sales are net of discounts.

## vii). Retirement Benefit:

Liability for Employees' gratuity is accounted for on the basis of contribution determined by Life Insurance Corporation of India under their Group Gratuity Cash Accumulation Scheme. Leave encashment is accounted for on payment basis.

Company's contribution to Provident Fund is charged to Profit & Loss Account.

## viii). Borrowing Costs:

Borrowing costs directly attributable to the acquisition and construction of qualifying assets are capitalized. Other borrowing costs are recognized as expenses in the period in which they are incurred.

## ix). Provision for Current and deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred Tax resulting from "Timing Difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted on the Balance Sheet date. The deferred Tax Assets is recognized and carried forward only to the extent there is a reasonable certainty that the assets will be realized in future.

	As at	As at
	31.03.2014	31.03.2013
<b>SHAREHOLDER'S FUNDS</b>		
<b>2 SHARE CAPITAL:</b>		
<b>2.1 Authorised:</b>		
5,250,000 Equity shares of Rs. 10/- each	52,500,000	52,500,000
<b>2.2 Issued, Subscribed &amp; Fully Paid Up</b>		
50,17,500 Equity shares of Rs. 10/- each fully paid up	<b>50,175,000</b>	<b>50,175,000</b>
The Reconciliation of number of shares is set out below		
Equity Shares at the Beginning of the Year	<b>Number</b> 5017500	
Equity Shares at the End of the Year	5017500	

## Milestone Global Limited

2.3 Details Of Shareholders Holding More Than 5 % Shares	No. of Sahres Held	% of Sahres Held	No. of Sahres Held	% of Sahres Held
( Equity Shares In Nos. Of Rs. 10 Each)				
Smt. Alka Agarwal	2427455	43.38	1930015	38.47
M/s. Ketiki Investment & Consultancy Pvt Ltd.	682110	13.59	682110	13.59
Pushpa Agarwal	-	-	497440	9.91
Alok Krishna Agarwal	500930	9.98	500930	9.98
<b>3 RESERVE &amp; SURPLUS:</b>				
<b>3.1 SECURITIES PREMIUM ACCOUNT</b>				
As Per Last Balance Sheet			15,082,070	15,082,070
<b>3.2 SUBSIDY</b>				
As Per Last Balance Sheet			1,346,000	1,346,000
<b>3.3 SURPLUS</b>				
As Per Last Balance Sheet			10,018,236	14,263,238
<b>Add:- Profit For The Year</b>			1,423,151	(4,245,002)
(Balance In Statement Of Profit & Loss)			<b>11,441,387</b>	<b>10,018,236</b>
<b>GRAND TOTAL</b>			<b>27,869,457</b>	<b>26,446,306</b>
<b>NON CURRENT LIABILITIES</b>				
<b>4 LONG-TERM BORROWINGS:</b>				
HDFC Bank car loan			640,436	-
(Secured By Hypothecation Of Vehicle)				
<b>CURRENT LIABILIES</b>				
<b>5 SHORT-TERM BORROWINGS:</b>				
<b>Secured Loans From Banks</b>				
Export Credit Loans			24,353,744	26,223,485
(Secured By Hypothecation Of Inventories And Export Receivable)				-
<b>6 TRADE PAYABLES</b>				
<b>6.1</b> Sundry Creditors			977,540	1,630,617
<b>6.2</b> The Company has not received the required information from suppliers regarding their status under the Micro, Small, Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been made.				
<b>7 OTHER CURRENT LIABILITIES</b>				
Temporary Book Overdraft			671,853	-
Other Payable			2,084,217	2,568,505
			<b>2,756,070</b>	<b>2,568,505</b>
Note :- Other Payables includes Employess Liabilities, Statutory Liabilities and advance from customer etc.				
<b>NON CURRENT ASSETS</b>				
<b>9 NON CURRENT INVESTMENT (At Cost):</b>				
<b>Subsidiary Companies</b>				
	Value	No. of Shares		
Milestone Global(UK)Limited	GBP 1/-	87331	7,147,980	7,147,980
Milestone Global(NZ)Limited	NZ \$1/-	100	2,894	2,894
			<b>7,150,874</b>	<b>7,150,87</b>
<b>10 DEFERRED TAX ASSETS (NET):</b>				
<b>10.1 Deferred Tax Assets</b>				
Difference Between Net Book Value Of Depreciable Capital Assets As Per Books Vis-A-Vis Written Down Value As Per Income Tax Item Under The Income Tax Act Which Will Be Allowed On Actual Payment.			665,100	-
Unabsorbed Losses			1,146,400	1,823,120
			<b>1,811,500</b>	<b>1,823,120</b>
<b>10.2 Deferred Tax Liabilities</b>				
Difference Between Net Book Value Of Depreciable Capital Assets As Per Books Vis-A-Vis Written Down Value As Per Income Tax			-	(185,331)
			<b>1,811,500</b>	<b>1,637,789</b>



## NOTE NO.8

## ANNEXURE OF FIXED ASSETS AS ON 31.03.2014

Sl. No.	Fixed Assets	Gross Block				Depreciation				Net Block	
		As at 01.04.13	Addition During the year	Deduction During the year	As at 31.03.14	As at 01.04.13	Written Back	For The Year	As at 31.03.14	WDV as at 31.03.14	WDV as at 31.03.13
1	FREEHOLDLAND	1,213,103	-	-	1,213,103	-	-	-	-	1,213,103	1,213,103
2	GODOWN BUILDING	1,430,910	-	-	1,430,910	379,636	52,564	432,200	998,710	1,051,274	1,051,274
3	FACTORY BUILDING	31,526,144	-	-	31,526,144	17,829,608	1,194,371	19,023,979	12,502,165	13,696,536	13,696,536
4	PLANT AND EQUIPMENTS	100,397,665	537,365	-	100,397,030	82,703,902	2,490,487	85,194,389	15,740,641	17,693,763	17,693,763
5	FURNITURE AND FIXTURE	6,139,955	-	-	6,139,955	4,330,922	327,435	4,658,357	1,481,598	1,809,083	1,809,083
6	VEHICLES (CARS)	3,037,192	1,785,150	1,792,896	3,029,446	2,682,148	1,397,332	1,629,984	1,399,461	355,044	355,044
7	COMPUTERS	1,841,519	127,000	-	1,968,519	1,731,153	76,132	1,807,285	161,235	110,366	110,366
	<b>TOTAL</b>	<b>145,586,487</b>	<b>2,449,515</b>	<b>1,792,896</b>	<b>146,243,106</b>	<b>109,657,369</b>	<b>4,468,157</b>	<b>112,746,194</b>	<b>33,496,912</b>	<b>35,929,119</b>	<b>35,929,119</b>
	<b>CAPITAL WORK IN PROGRESS</b>	-	-	-	-	-	-	-	<b>24,25,000</b>	-	-
	<b>PREVIOUS YEAR</b>	<b>146,562,952</b>	-	<b>976,464</b>	<b>145,586,488</b>	<b>105,675,203</b>	<b>851,176</b>	<b>109,657,369</b>	<b>35,929,119</b>	<b>40,887,749</b>	<b>40,887,749</b>

## Milestone Global Limited

<b>11</b>	<b>LONG TERM LOANS AND ADVANCES:</b> (Unsecured Considered Good Unless Otherwise Stated)		
	Security Deposits	1,513,813	1,740,413
	Loan To Related Party	5,075,000	5,375,000
		<b>6,588,813</b>	<b>7,115,413</b>
<b>12</b>	<b>INVENTORIES:</b> (Stock As Valued And Certified By Management)		
	Raw Materials	9,120,000	9,989,000
	Work In Progress	9,760,000	11,530,000
	Finished Goods	945,000	637,000
	Store & Spares	2,387,000	1,733,000
		<b>22,212,000</b>	<b>23,889,000</b>
<b>13</b>	<b>TRADE RECEIVABLES:</b> (Unsecured Considered Good Unless Otherwise Stated)		
	Over Six Months	406,326	-
	<b>Others</b>		
	Recoverable From Related Parties	1,492,606	3,595,760
	Recoverable From Others	16,581,566	9,620,894
		<b>18,480,498</b>	<b>13,216,654</b>
<b>14</b>	<b>CASH &amp; CASH EQUIVALENTS :</b>		
	<b>Balance With Banks</b>		
	In Fixed Deposits (Pledged With Bank)	334,323	669,097
	In Current Accounts	168,451	638,559
	<b>Cash on Hand</b>	1,298,643	688,270
		<b>1,801,417</b>	<b>1,995,926</b>
<b>14.1</b>	NOTE: Balance in Fixed Deposit includes Fixed Deposit amounting to RS. NIL ( Previous Year - Rs. 415392)with maturity of more than 12 months.		
<b>15</b>	<b>SHORT TERM LOANS &amp; ADVANCES:</b> (Unsecured Considered Good Unless Otherwise Stated)		
	Advances To Related Party	9,672,626	6,835,562
	Service Tax Recoverable	1,478,665	2,611,141
	Commercial tax recoverable	1,438,711	-
	Advance Income Tax & Tax Deducted At Source Paid (Net Of Provisions)	64,586	79,663
	Prepaid Expenses	150,645	203,266
	Others	-	6,379,506
		<b>12,805,233</b>	<b>16,109,138</b>
<b>16</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale Of Granite	70,334,863	47,137,260
	<b>Other Operating Revenues</b>		
	Miscellaneous Income	1,322	
	Exchange Gain	<u>1,075,731</u>	
		<b>71,411,916</b>	<b>47,137,260</b>
<b>17</b>	<b>OTHER INCOME:</b>		
	Interest Income	203,792	75,246
	Exchange Rate Difference	-	24,712
		<b>203,792</b>	<b>99,958</b>
<b>18</b>	<b>COST OF MATERIALS CONSUMED</b>		
	Name Of Materials		
	Stone	33,423,354	20,257,970
	Others	5,984,706	4,902,856
		<b>39,408,060</b>	<b>25,160,826</b>
<b>19</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
	<b>Stock At Commencement</b>		
	Finished Goods	637,000	585,000
	Goods In Process	11,530,000	12,200,000
		<b>12,167,000</b>	<b>12,785,000</b>

<b>Stock At Close</b>		
Finished Goods	945,000	637,000
Goods In Process	9,760,000	11,530,000
	<b>10,705,000</b>	<b>12,167,000</b>
<b>TOTAL</b>	<b>1,462,000</b>	<b>618,000</b>
<b>20 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries And Wages	6,051,818	7,012,177
Contribution To Provident And Other Funds	10,644	40,462
Staff Wealfare Expenses	20,124	160,666
	<b>6,082,586</b>	<b>7,213,305</b>
<b>21 FINANCIAL COSTS:</b>		
Interest Expense	2,512,216	2,635,682
<b>22 DEPRECIATION AND AMORTZATION EXPNSE:</b>		
Depreciation	4,486,157	4,833,342
<b>23 OTHER EXPENSES:</b>		
<b>Manufacturing Expense :</b>		
Power & Fuel	2,477,599	2,301,378
Repair To Machinery	1,110,236	824,852
Repair To Buildings	659,871	305,441
Other manufacturing expenses	731,573	1,898,250
Manufacturing expreidture-other	2,786,821	-
	<b>7,766,100</b>	<b>5,329,921</b>
<b>Administartive Expense</b>		
Insurance	184,375	191,626
Exchahnge loss	-	96,139
Rates & Taxes	204,680	179,980
Travelling	434,132	334,223
Rent	175,500	-
Professional & consultancy charges	944,852	-
Loss on sale of Motor vehicle	105,564	-
Miscellaneous Expenses	3,727,739	3,689,982
	<b>5,776,842</b>	<b>4,491,950</b>
<b>Selling &amp; Distribution Expense</b>		
Freight & Cartage(Outward)	2,572,307	1,795,194
<b>GRAND TOTAL</b>	<b>16,115,249</b>	<b>11,617,065</b>
<b>24.</b> Balances of Trade Receivable , Loans and Advances and Creditors, are subject to confirmation.		
<b>25. Remuneration to Auditors:</b>		
	<b>2013-2014</b>	<b>2012-2013</b>
	<b>Rs.</b>	<b>Rs.</b>
Audit Fee	70,000	70,000
Tax Audit	20,000	20,000
In other capacity	30,000	30,000
Service Tax on above	14,832	14,832
	<b>1, 34,832</b>	<b>1, 34,832</b>
<b>26. Earning Per Share (EPS):</b>		
a) Net Profit available for Equity Shareholder. (Numerator used for calculation)	14,23,151	(42,45,002)
b) Number of Equity Shares. (Used as denominator for calculating EPS)	50,17,500	50,17,500
c) Basic and Diluted earnings per Share of Rs.10/- each	0.28	(0.85)

## Milestone Global Limited

### 27 Related Party Disclosures:

a) Related Party disclosures as required under Accounting Standard 18 – “Related Party Disclosures” issued by the Institute of Chartered Accountants of India are given below:

#### Subsidiary Companies

Milestone Global (U.K.) Limited - U.K.

Milestone Global (U.S.) Inc - U.S.A.

Milestone Global (NZ) Limited - New Zealand

#### Enterprise over which key Management personal have significant influence

ANA Hospitality Pvt. Ltd - India - CEO of the company is shareholder

#### Key Management Personnel and their relative:

Mr. Fiaz Ahmed - Executive Director

Mrs. Alka Agarwal - Chief Executive Officer

a) The following transactions were carried with related parties in the ordinary course of business:

	<b>Enterprise over Which key Management Personal have significant influence</b>	<b>Subsidiary Companies</b>	<b>Key Management Personnel and their Relative</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Sales of Finished Goods	-	1,19,85,853 (54,20,533)	-
Remuneration	-	-	17,07,600 (26,58,000)
<b>Unsecured Loan</b>			
Balance at the beginning of the year	53,75,000 (75,75,000)	-	-
Amount paid during the year	-	-	-
	(-)		
Amount received during the year	3,00,000 (22,00,000)	-	-
Closing Balance at the end of the year:	50,75,000 (53,75,000)	-	-
	(-)		
Outstanding Receivable	NIL NIL	96,72,625 (35,95,760)	5,60,000 (8,00,000)

Figures in bracket are in respect of Previous year.

Note: Related Parties relationship is as identified by the Company and relied upon by the auditors.

28. Company has an investment of Rs.71,47,980/- in the share capital of Milestone Global (U.K.) Limited U.K a wholly owned subsidiary Company. Milestone Global (U.K.) Limited U.K. has accumulated losses GBP 70832 equivalent to Rs. 7081734/- as on 31.03.2014 (Previous Year GBP 66538 equivalent to Rs. 54,87,420/-). The Management is, however, of the opinion that with strategic plan on hand and long term involvement in the subsidiary company, no provision is necessary in this account.

#### 29. Segment Reporting :

The Company has only one business segment “Stone” as primarily segment.

The secondary segment is geographical which is given as under:

Amount in Rs.

	PARTICULARS	U.S.A.	EUROPE	NEWZEALAND	INDIA	TOTAL
1	SEGMENT REVENUE:					
	External Sales	5,83,49,010 (4,17,16,727)	1,01,71,547 (43,64,479)	18,14,306 (10,56,054)		7,03,34,863 (4,71,37,260)
	Inter-segment sales		-	-		-

	TOTAL REVENUE	5,83,49,010 (4,17,16,727)	1,01,71,547 (43,64,479)	18,14,306 (10,56,054)		7,03,34,863 (4,71,37,260)
2	SEGMENT EXPENSES	15,24,141 (11,99,048)	9,03,356 (4,67,890)	1,44,810 (1,28,256)		25,72,307 (17,95,194)
3	SEGMENT RESULT	5,68,24,869 (4,05,17,679)	92,68,191 (38,96,589)	16,69,496 (9,27,798)		6,77,62,556 (4,53,42,066)
	Common Expenses	5,59,92,231 (4,45,00,746)	97,60,707 (46,55,748)	17,41,024 (11,26,532)		6,74,93,962 (5,02,83,026)
	Common Income					12,80,845 (99,958)
4	Net Profit / (Loss) before Tax					15,49,440 (-48,41,002)
	Provision for Taxation :					
	Current Tax	-	-	-		3,00,000
	Deferred Tax	-	-	-		(-) 1,73,711 (5,96,000)
	Profit / (Loss) after Tax	-	-	-		14,23,151 (-42,45,002)
5	Segment Assets (Trade Receivables)	1,22,59,733 (92,14,568)	14,92,606 (29,46,032)	- (10,56,054)	47,28,159 (-)	1,84,80,498 (1,32,16,654)
	Common Assets	-	-	-		8,82,91,749 (9,38,27,259)
	Total Assets	-	-	-		10,67,72,247 (10,70,43,913)
6	Segment Liabilities	-	-	-		-
	Common Liabilities	-	-	-		-
	Total Liabilities	-	-	-		10,67,72,247 (10,70,43,913)
7	Depreciation	-	-	-		44,86,157 (48,33,342)
8	Other Non-Cash Expenditure	-	-	-		-

Note: Figures in Brackets are in respect of Previous Year

30. Disclosure in terms of Accounting Standard- 15 issued by the Institute of Chartered Accountants of India has not been given as required details have not been provided by Life Insurance Corporation of India.

31. Actuarial; valuation of leave encashment has not been carried out as company has paid leave earned up to 31-03-2014.

**Rupees in LAKHS**

	2013-14	2012-13
32. Value of Import on CIF basis:		
Raw materials	41.10	22.95
Components and Spare Parts	10.87	10.87
33. Expenditure in Foreign Currency	Nil	NIL
34. Earning in Foreign Exchange		
Export of Goods calculated on FOB Basis	696.04	467.43

## Milestone Global Limited

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### 35. Value of Raw Materials, Stores & Spare Parts Etc. Consumed

#### a) Raw Materials

i) Imported Value	41.10	22.95
% of total Consumption	12.30%	11.33%
ii) Indigenous Value	293.13	179.63
% of total Consumption	87.70%	88.67%

#### b) Stores & Spare Parts etc.(including packing material)

i) Imported Value	7.49	7.96
% of total Consumption	12.51%	16.24%
ii) Indigenous Value	52.36	41.07
% of total Consumption	87.49%	83.76%

### 36. CONTINGENT LIABILITIES:

	<b>As at 31<sup>s</sup> March, 2014 Rs.</b>	<b>As at 31<sup>st</sup> March, 2013 Rs.</b>
a) In respect of Claims (including claims made by Employees) not acknowledged as debts.	Amount Indeterminate	Amount Indeterminate

37. Previous year figures have been regrouped and recasted wherever necessary to conform to the classification for the Year.

As per our report of even date attached  
For P.L. Tandon & Co.

For and on behalf of Board of Directors

Chartered Accountants

Sd/-

**RAJENDRA KUMAR GUPTA**  
( Partner )

Sd/-

**Alok Krishna Agarwal**  
(Director)

Sd/-

**Fiaz Ahmed**  
(Executive Director)

Place: Hoskote

Date: 29.05.2014



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

PARTICULARS	Amount in Rs.	
	2013-14	2012-13
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	1,549,440	(4,841,001)
<b>ADJUSTMENT FOR</b>		
Depreciation	4,486,157	4,833,342
Interest Received	(203,792)	(75,246)
interest Paid	2,512,216	2,635,683
(Profit)/Loss on sale of Fixed Assets(Net)	105,564	(24,713)
Exchange (Gain)/Loss	(1,075,731)	96,139
	5,824,414	7,465,205
<b>Operating Profit before working capital changes</b>	<b>7,373,854</b>	<b>2,624,204</b>
(Increase)/Decrease in Trade Receivables	(5,263,844)	(808,512)
(Increase)/Decrease in Inventories	1,677,000	(1,262,000)
(Increase)/Decrease in Loans and advances	6,352,493	(306,314)
Increase/(Decrease) in Current liabilities	(465,512)	(1,345,761)
	2,300,137	(3,722,587)
Cash Generated from Operations	9,673,991	(1,098,383)
Income Tax Paid(Net)	(284,923)	-
<b>Net cash generated from/(used in) operating activities</b>	<b>9,389,068</b>	<b>(1,098,383)</b>
	[ A ]	
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(4,874,515)	-
Sale of fixed assets	290,000	150,000
Interest Received	203,792	69,312
Advance to Related Party	(2,837,064)	(736,912)
<b>Net cash used in Investing Activity</b>	<b>(7,217,787)</b>	<b>(517,600)</b>
	[ B ]	
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Exchange Gain/(Loss)	1,075,731	(96,139)
Export Credit borrowings	(1,869,741)	678,769
Recovery of Loan from related party	300,000	2,200,000
Vehicle Loan	640,436	-
Interest Paid	(2,512,216)	(2,635,682)
<b>Net Cash generated from/(used in) Financing Activities [ C ]</b>	<b>(2,365,790)</b>	<b>146,948</b>
<b>Net Decrease in cash and cash equivalents (A+B+C)</b>	<b>(194,509)</b>	<b>(1,469,036)</b>
Cash and Cash Equivalent at the beginning of the year	1,995,926	3,464,962
<b>Cash and Cash Equivalent at the End of the year</b>	<b>1,801,417</b>	<b>1,995,926</b>

As per our report of even date attached  
For P.L. Tandon & Co.

Chartered Accountants

Sd/-

**RAJENDRA KUMAR GUPTA**  
( Partner )

For and on behalf of Board of Directors

Sd/-

**Alok Krishna Agarwal**  
(Director)

Sd/-

**Fiaz Ahmed**  
(Executive Director)

Place: Hoskote

Date: 29.05.2014

Statement Pursuant to Section 212 of the Companies Act 1956, Relating to Subsidiary Companies (Amount in Rs.)

Name of the Subsidiary	Milestone Global (UK) Limited March 31st 2014	Milestone Global (NZ) Limited March 31st 2014	Milestone Global (US) Inc, USA March 31st 2014
Financial period ended	March 31st 2014	March 31st 2014	March 31st 2014
Holding company's interest	100% in equity shares	100% in equity shares	
Shares held by the holding company in the subsidiary	87331 equity shares of GBP1.00 each fully paid up amounting to INR 71,47,980/-	100 Equity Shares of NZD1.00 each fully paid up amounting to INR 2,894/-	
The net aggregate of profits or losses of the subsidiary for the current period so far as it concerns the members of the holding company	INR..... Nil	INR..Nil	INR..Nil
a. Dealt with or provided for in the account of the holding company.			
b. Not dealt with or provided for in the accounts of the holding company	INR..... (7,79,018)	INR.....(8,35,857)	INR....(1,18,897)
The net aggregate of profits or losses for previous financial years of the subsidiary so far as it concerns the members of the holding company	INR..... Nil	INR..... Nil	INR..Nil
a. Dealt with provided for in the accounts of the holding company			
b. Not dealt with or providing for in the accounts of the holding company.	INR..... (69,02,716)	INR..... (22,99,684)	INR.... (5,19,669)

Name of the Subsidiary Company	Issued and Subscribed share capital	Reserves	Loans	Total assets	Totals Liabilities	Long term	Current	Total	Turnover	Profit(loss) before taxation	Provision for Taxation	Profit(loss) after taxation	Proposed dividend
Milestone Global (UK) Ltd	87,23,144	(70,81,734)	Nil	1,24,73,863	1,24,73,863	Nil	1,08,32,453	1,08,32,453	48,01,998	(1,79,018)	Nil	(1,79,018)	Nil
Milestone Global (NZ) Ltd	72,02,188*	(54,87,424)*	Nil*	83,53,232*	83,53,232*	Nil*	66,38,469*	66,38,469*	31,83,274*	(3,44,543)*	Nil*	(3,44,543)*	Nil
Milestone Global (US) Inc, USA	5,202	(31,35,541)	Nil	1,00,17,701	1,00,17,701	Nil	1,31,48,040	1,31,48,040	3,39,247	(8,35,857)	Nil	(8,35,857)	Nil
	4,541*	(24,09,028)*	Nil	1,67,66,574*	1,67,66,574*	Nil*	1,91,71,062*	1,91,71,062*	4,87,485*	6,50,931*	Nil	6,50,931*	Nil
	NIL	(6,38,566)	Nil	5,55,605	5,55,605	Nil	11,94,171	11,94,171	Nil	(1,18,897)	Nil	(1,18,897)	Nil
	(NIL)*	(4,70,704)*	Nil*	(5,09,074)*	(5,09,074)*	Nil*	9,79,778*	9,79,778*	Nil	(84,014)*	Nil*	(84,014)*	Nil

\* Relates to previous year

**INDEPENDENT AUDITOR'S REPORT****To the Board of Directors of MILESTONE GLOBAL LIMITED****Report on the consolidated financial statements**

We have audited the accompanying consolidated financial statements of MILESTONE GLOBAL LIMITED ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India including Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the consolidated statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**Other Matters**

We did not audit the financial statements of subsidiaries, whose financial statements reflect total assets of Rs (48.87) lacs as at 31-03-2014, total revenues of Rs 51.42 lacs and cash flow amounting to Rs 18.17 lacs for the year ended on that date.

Our opinion is not qualified in respect of other matters.

**For P.L. TANDON & Co.**  
**Chartered Accountants**  
**Registration Number: 000186C**

**RAJENDRA KUMAR GUPTA**  
**(PARTNER)**  
**Membership Number: 073250**

Place : KANPUR  
 Date: 29-05-2014

# Milestone Global Limited

## CONSOLIDATED BALANCE SHEET AS AT

PARTICULARS	NOTE NO.	31.03.2014 RS.	31.03.2013 RS.
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUNDS</b>			
SHARE CAPITAL	2	50,175,000	50,175,000
RESERVES AND SURPLUS	3	18,663,224	18,260,323
		<b>68,838,224</b>	<b>68,435,323</b>
<b>NON CURRENT LIABILITIES</b>			
LONG TERM BORROWINGS	4	640,436	-
<b>CURRENT LIABILITIES</b>			
SHORT TERM BORROWINGS	5	24,353,744	26,223,485
TRADE PAYABLES	6	1,384,041	1,964,409
OTHER CURRENT LIABILITIES	7	6,668,390	5,937,086
		<b>32,406,175</b>	<b>34,124,980</b>
<b>TOTAL ASSETS</b>		<b>101,884,835</b>	<b>102,560,303</b>
<b>NON-CURRENT ASSETS</b>			
FIXED ASSETS	8		
TANGIBLE ASSTS		33,987,156	36,598,394
CAPITAL WORK IN PROGRESS		2,425,000	-
DEFERRED TAX ASSETS (NET)	9	1,811,500	1,637,789
LONG-TERM LOANS AND ADVANCES	10	6,588,813	7,216,316
		<b>44,812,469</b>	<b>45,452,499</b>
<b>CURRENT ASSETS</b>			
CURRENT INVESTMENTS	-		
INVENTORIES	11	22,212,000	24,038,023
TRADE RECEIVABLES	12	20,650,231	15,984,847
CASH AND CASH EQUIVALENTS	13	6,422,946	4,800,282
SHORT-TERM LOANS AND ADVANCES	14	7,787,189	12,284,652
		<b>57,072,366</b>	<b>57,107,804</b>
<b>TOTAL</b>		<b>101,884,835</b>	<b>102,560,303</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENT</b>			
	1-26		

As per our report of even date attached  
For P.L. Tandon & Co.

Chartered Accountants  
Sd/-

**RAJENDRA KUMAR GUPTA**  
( Partner )

For and on behalf of Board of Directors

Sd/-

**Alok Krishna Agarwal**  
(Director)

Sd/-

**Fiaz Ahmed**  
(Executive Director)

Place: Hoskote

Date: 29.05.2014

**CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED**

<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>2013-2014 Rs.</b>	<b>2012-2013 Rs.</b>
<b>REVENUE FROM OPERATIONS</b>			
Revenue From Operations	15	76,553,161	50,808,018
Other Income	16	203,792	100,048
<b>TOTAL REVENUE</b>		<b><u>76,756,953</u></b>	<b><u>50,908,066</u></b>
<b>EXPENSES</b>			
Cost Of Material Consumed	17	39,408,060	25,160,826
Changes In Inventories Of Finished Goods And Work-In-Progress	18	1,462,000	618,000
Employee Benefits Expenses	19	6,082,586	7,213,305
Finance Costs	20	2,512,216	2,635,682
Depreciation And Amortization Expense		4,665,187	5,093,377
Other Expenses	21	22,211,238	16,107,367
<b>TOTAL EXPENSES</b>		<b><u>76,341,287</u></b>	<b><u>56,828,557</u></b>
<b>Profit Before Tax</b>		<b>415,666</b>	<b>(5,920,491)</b>
<b>Tax Expense</b>			
Current Tax		(300,000)	-
Deferred Tax Credit		173,711	596,000
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b><u>289,377</u></b>	<b><u>(5,324,491)</u></b>
Earning Per Equity Share Of Rs. 10 Each			
Basic		0.05	(1.06)
Diluted		0.05	(1.06)

**Significant Accounting Policies And  
Notes On Financial Statement****1-26**As per our report of even date attached  
For P.L. Tandon & Co.

For and on behalf of Board of Directors

Chartered Accountants  
Sd/-**RAJENDRA KUMAR GUPTA**  
( Partner )

Sd/-

**Alok Krishna Agarwal**  
(Director)

Sd/-

**Fiaz Ahmed**  
(Executive Director)**Place: Hoskote**  
**Date: 29.05.2014**

# Milestone Global Limited

## 1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

### PRINCIPLES OF CONSOLIDATION:

- 1) The consolidation of financial statements of the group have been prepared on the following basis:
  - a) The consolidated financial statements of the group are prepared in accordance with Accounting standard – 21 “consolidated financial statements” issued by ICAI .
  - b) The financial statements of the Company and its subsidiaries companies have been consolidated on a line –by – line basis by adding together the book value of like items of assets , liabilities , income & expenses , after eliminating intra-group balances .
  - c) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented ,to the extent possible , in the same manner as the company’s separate financial statements.
- 2.) The Subsidiary company considered in the consolidated financial statements is :

<b>Name of the company</b>	<b>Country of Incorporation</b>	<b>Holding as on 31.03.2014</b>
Milestone Global (UK) Limited	U.K.	100%
Milestone Global (NZ) Limited	[NEWZELAND]	100%
Milestone Global(US) Inc	US	100%

- 3.) Other significant accounting policies:

These are set out under ‘Significant Accounting Policies’ as given in the unconsolidated financial statements of Milestone Global Limited and its subsidiaries.

## SHAREHOLDER’S FUNDS

### 2 SHARE CAPITAL

<b>2.1 AUTHORISED:</b>	52,500,000	52,500,000
5,250,000 EQUITY SHARES OF RS. 10 EACH		
<b>2.2 ISSUED,SUBSCRIBED AND FULLY PAID</b>		
5017500 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP	50,175,000	50,175,000
The reconciliation of number of shares is set out below		
	<b>NUMBER</b>	
Balance as on 01.04.2013	5017500	-
Balance as on 31.03.2014	5017500	-

### 3 RESERVE & SURPLUS:

<b>3.1 SECURITIES PREMIUM ACCOUNT</b>		
AS PER LAST BALANCESHEET	15,082,070	15,082,070
<b>3.2 SUBSIDY</b>		
AS PER LAST BALANCESHEET	1,346,000	1,346,000
<b>3.3 SURPLUS</b>		
AS PER LAST BALANCESHEET	3,009,638	8,334,129
<b>ADD:- PROFIT/(LOSS) FOR THE YEAR</b>	289,377	(5,324,491)
<b>TOTAL</b>	3,299,015	3,009,638
<b>3.4 FOREIGN CURRENCY TRANSLATION RESERVE</b>		
AS PER LAST BALANCE SHEET	(1,177,385)	(1,696,120)
<b>ADD:- AMOUNT ADJUSTED DURING THE YEAR</b>	113,524	518,735
	(1,063,861)	(1,177,385)

### GRAND TOTAL

**18,663,224**                      **18,260,323**

### 4 LONG-TERM BORROWINGS:

HDFC BANK CAR LOAN	640,436	-
SECURED BY HYPOTHECATION OF VEHICLE		

### 5 SHORT-TERM BORROWINGS:

<b>SECURED LOANS FROM BANKS</b>		
EXPORT CREDIT LOANS	24,353,744	26,223,485
SECURED BY HYPOTHECATION OF INVENTORIES AND EXPORT RECEIVABLE		

### 6 TRADE PAYABLES

SUNDRY CREDITORS	1,384,041	1,964,409
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## NOTE NO.8

## ANNEXURE OF FIXED ASSETS AS ON 31.03.2014

Sl. No.	Fixed Assets	Gross Block				Depreciation				Net Block	
		As at 01.04.13	Addition During the year	Deduction During the year	As at 31.03.14	As at 01.04.13	Written Back	For The Year	As at 31.03.14	WDV as at 31.03.14	WDV as at 31.03.13
1	FREEHOLD LAND	1,213,103	-	-	1,213,103	-	-	-	-	1,213,103	1,213,103
2	GODOWN BUILDING	1,430,910	-	-	1,430,910	379,636	52,564	432,200	998,710	1,051,274	
3	FACTORY BUILDING	31,526,144	-	-	31,526,144	17,829,608	1,194,371	19,023,979	12,502,165	13,696,536	
4	PLANT AND EQUIPMENTS	100,422,697	537,365	-	100,960,062	82,703,902	2,490,487	85,194,389	15,765,673	17,718,795	
5	FURNITURE AND FIXTURE	6,343,714	-	-	6,343,714	4,473,031	338,618	4,811,649	1,532,065	1,870,683	
6	VEHICLES (CARS)	4,136,603	1,785,150	1,792,896	4,128,857	3,437,194	1,397,332	2,546,450	1,582,407	699,409	
7	VEHICLES (OTHERS)	-	-	-	-	-	-	-	-	-	
8	OFFICE EQUIPMENTS	11,393	-	-	11,393	1,233	654	1,887	9,506	10,150	
9	COMPUTERS	2,082,803	127,000	-	2,209,803	1,744,370	81,905	1,826,275	383,528	338,433	
	Capital work in Progress	-	-	-	-	-	-	-	2,425,000	-	
	<b>TOTAL</b>	<b>147,167,367</b>	<b>2,449,515</b>	<b>1,792,896</b>	<b>147,923,986</b>	<b>110,568,974</b>	<b>4,665,187</b>	<b>113,836,829</b>	<b>36,412,156</b>	<b>36,598,393</b>	
	<b>PREVIOUS YEAR</b>	<b>148,891,499</b>	<b>-</b>	<b>1,724,131</b>	<b>147,167,368</b>	<b>106,674,195</b>	<b>1,198,599</b>	<b>110,568,973</b>	<b>36,598,394</b>	<b>42,217,303</b>	

## Milestone Global Limited

<b>7 OTHER CURRENT LIABILITIES</b>		
TEMPORARY BOOK OVERDRAFT	672,037	-
OTHER PAYABLE	2,499,933	2,991,051
VAT OUTPUT	3,496,420	457,866
ADVANCE FROM RELATED PARTIES	-	2,488,169
	<b>6,668,390</b>	<b>5,937,086</b>
<b>9 DEFERRED TAX ASSETS(NET)</b>		
<b>DEFERRED TAX ASSETS</b>		
DIFFERENCE BETWEEN NET BOOK VALUE OF DEPRECIABLE CAPITAL ASSETS AS PER BOOKS VIS-A-VIS WRITTEN DOWN VALUE AS PER INCOME TAX	665,100	-
UNABSORBED LOSSES	1,146,400	1,823,120
	<b>1,811,500</b>	<b>1,823,120</b>
<b>DEFERRED TAX LIABILITIES</b>		
DIFFERENCE BETWEEN NET BOOK VALUE OF DEPRECIABLE CAPITAL ASSETS AS PER BOOKS VIS-A-VIS WRITTEN DOWN VALUE AS PER INCOME TAX	-	185,331
	<b>1,811,500</b>	<b>1,637,789</b>
<b>10 LONG TERM LOANS AND ADVANCES:</b>		
(UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED) SECURITY DEPOSITS	1,513,813	1,740,413
ADVANCES RECOVERABLE IN CASH FOR IN KIND OR FOR VALUE TO BE RECEIVED	-	2,679
LOAN AND ADVANCES TO RELATED PARTIES	5,075,000	5,473,224
	<b>6,588,813</b>	<b>7,216,316</b>
<b>11 INVENTORIES:</b>		
<b>(Stock as valued and certified by Management)</b>		
RAW MATERIALS	9,120,000	9,989,000
WORK IN PROGRESS	9,760,000	11,530,000
FINISHED GOODS	945,000	786,023
STORE & SPARES	2,387,000	1,733,000
	<b>22,212,000</b>	<b>24,038,023</b>
<b>12 TRADE RECEIVABLES:</b>		
(UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED)	-	
OVER SIX MONTHS	4,068,665	4,827,731
<b>OTHERS</b>	16,581,566	11,157,116
	<b>20,650,231</b>	<b>15,984,847</b>
<b>13 CASH &amp; CASH EQUIVALENTS :</b>		
<b>BALANCE WITH BANKS</b>		
IN FIXED DEPOSITS (PLEGDED WITH BANK )	334,323	669,097
IN CURRENT ACCOUNTS:	3,547,729	1,936,859
<b>CASH ON HAND</b>	2,540,894	2,194,326
	<b>6,422,946</b>	<b>4,800,282</b>
13.1 NOTE: Balance in Fixed Deposit includes Fixed Deposit amounting to RS. NIL ( Previous Year - Rs. 415392)with maturity of more than 12 months.		
<b>14 SHORT TERM LOANS &amp; ADVANCES:</b>		
(UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED)		
ADVANCES RECOVERABLE IN CASH OR IN KIND FOR THE VALUE TO BE RECEIVED	1,773,409	9,045,874
SERVICE TAX RECOVERABLE	1,478,665	2,611,141
COMMERCIAL TAX RECOVERABLE	1,438,711	
ADVANCE INCOME TAX & TAX DEDUCTED AT SOURCE (NET OF PROVISION)	64,586	79,663
PREPAID EXPENSES	150,645	203,266
Input Tax	2,818,744	293,164
Rental Deposit	62,429	51,544
	<b>7,787,189</b>	<b>12,284,652</b>

<b>15 REVENUE FROM OPERATIONS</b>		
Sale Of Granite	75,476,108	50,664,542
<b>Other Operating Revenues</b>		
Miscellaneous Income	1,323	78,412
Exchange Gain	1,075,730	65,064
	<b>76,553,161</b>	<b>50,808,018</b>
<b>16 OTHER INCOME:</b>		
Interest Income	203,792	75,335
Profit on Sale of Vehicle		24,713
	<b>203,792</b>	<b>100,048</b>
<b>17 COST OF MATERIALS CONSUMED</b>		
Name Of Materials		
Stone	33,423,354	20,257,970
Others	5,984,706	4,902,856
	<b>39,408,060</b>	<b>25,160,826</b>
<b>18 CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
<b>Stock At Commencement</b>		
Finished Goods	637,000	585,000
Goods In Process	11,530,000	12,200,000
	<b>12,167,000</b>	<b>12,785,000</b>
<b>Stock At Close</b>		
Finished Goods	945,000	637,000
Goods In Process	9,760,000	11,530,000
	<b>10,705,000</b>	<b>12,167,000</b>
<b>GRAND TOTAL</b>	<b>1,462,000</b>	<b>618,000</b>
<b>19 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries And Wages	6,051,818	7,012,177
Contribution To Provident And Other Funds	10,644	40,462
Staff Welfare Expenses	20,124	160,666
	<b>6,082,586</b>	<b>7,213,305</b>
<b>20 FINANCIAL COSTS:</b>		
Interest Expense	2,512,216	2,635,682
<b>DEPRECIATION AND AMORTZATION EXPNSE:</b>		
Depreciation	4,665,187	5,093,377
<b>21 OTHER EXPENSES:</b>		
<b>Manufacturing Expense :</b>		
Freight Inward	197,540	
Power & Fuel	2,477,599	2,301,378
Repair To Machinery	1,110,236	824,853
Repair To Buildings	659,871	305,440
Repair Others	731,573	1,898,250
Manufacturing Expenditure - Other	2,786,821	
	<b>7,963,640</b>	<b>5,329,921</b>
<b>Administartive Expense</b>		
Insurance	391,223	425,181
Rates & Taxes	204,680	179,980
Travelling	1,638,462	334,223
Rent	551,371	-
Rent	175,500	-
Professional & Consultancy Charges	1,131,825	
Loss on Sale of Motor Vehicle	105,564	
Exchnage loss	499,476	96,139
Bad Debts Written Off	653,175	421,426
Loss on Sale of Asset	-	348,574
Miscellaneous Expenses	4,251,419	6,298,783
	<b>9,602,695</b>	<b>8,104,306</b>
<b>Selling &amp; Distribution Expense</b>		
Freight & Cartage(Outward)	4,644,903	2,673,140
<b>GRAND TOTAL</b>	<b>22,211,238</b>	<b>16,107,367</b>

## Milestone Global Limited

<b>22. Earning Per Share (EPS):</b>	<b>2013-2014</b>	<b>2012-2013</b>
a) Net Profit available for Equity Shareholder (Numerator used for calculation)	289377	(5324490)
b) Number of Equity Shares (Used as denominator for calculating EPS)	50,17,500	50,17,500
c) Basic and Diluted earnings per Share of Rs.10/- each	0.05	(1.06)

### 23. Related Party Disclosures:

a) Related Party disclosures as required under Accounting Standard 18 – “Related Party Disclosures” issued by the Institute of Chartered Accountants of India are given below:

Mr. Fiaz Ahmed - Executive Director  
Mrs. Alka Agarwal - Chief Executive Officer

b) The following transactions were carried with related parties in the ordinary course of business:

#### Key Management Personnel and their relatives

Rs.

Remuneration 14,65,200 (26,58,000)

Figures in bracket are in respect of Previous year.

Note: Related Parties relationship is as identified by the Company and relied upon by the auditor

### 24. Segment Reporting :

The Company has only one business segment “Stone” as primarily segment.

The secondary segment is geographical which is given as under :

Amount in Rs.

PARTICULARS	U.S.A.	EUROPE	NEWZEALAND	INDIA	TOTAL
1. SEGMENT REVENUE :					
External Sales	5,83,49,010 (4,17,16,727)	1,49,73,545 (74,04,276)	21,53,553 (15,43,539)	- (0)	7,54,76,108 (5,06,64,542)
Inter Segment Sales	-	-	-	-	-
TOTAL REVENUE	5,83,49,010 (4,17,16,727)	1,49,73,545 (74,04,276)	21,53,553 (15,43,539)	- (0)	7,54,76,108 (5,06,64,542)
2. SEGMENT EXPENSES	15,48,116 (11,99,048)	25,42,150 (12,41,459)	5,54,637 (2,32,633)	- (0)	46,44,903 (26,73,140)
3. SEGMENT RESULT	5,68,00,894 (4,05,17,679)	1,24,31,395 (61,62,817)	15,98,916 (13,10,906)	- (0)	7,08,31,205 (4,79,91,402)
Common Expenses	-	-	-	-	7,16,96,384 (5,41,55,416)
Common Income	-	-	-	-	12,80,845 (2,43,524)
4. PROFIT/(LOSS) BEFORE TAX					4,15,666 (-59,20,491)
Current Tax	-	-	-	-	3,00,000 (-)
Deferred Tax	-	-	-	-	1,73,711 (5,96,000)
PROFIT/(LOSS) AFTER TAX	-	-	-	-	2,89,377 (-53,24,491)
5. SEGMENT ASSETS					
Trade Receivables	1,22,78,613 (92,31,669)	36,43,459 (47,17,202)	- (20,35,975)	47,28,159 (0)	2,06,50,231 (1,59,84,846)
Common Assets	-	-	-	-	8,12,34,604 (8,65,75,458)
TOTAL ASSETS					10,18,84,835 (10,25,60,304)

6.	SEGMENT LIABILITIES	15,328	36,15,802	6,87,932	28087113	3,24,06,175
		(13,885)	(3,34,88,121)	(6,22,975)	(0)	(3,41,24,981)
	Common Liabilities	-	-	-	-	6,94,78,660
						(6,84,35,323)
	TOTAL LIABILITIES	-	-	--		10,18,84,835
						(10,25,60,304)
7.	Depreciation	-	-	-	-	46,65,187
						(50,93,376)

Note: Figures in Brackets are in respect of Previous Year

## 25. CONTINGENT LIABILITIES:

	As at 31 March, 2014 Rs. Amount	As at 31 <sup>st</sup> March, 2013 Rs. Amount
a) In respect of Claims (including claims made by Employees) not acknowledged as debts	Indeterminate	Indeterminate

26. Previous year figures have been regrouped and recasted wherever necessary to conform to the classification for the Year.

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

PARTICULARS	2013-14	2012-13
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	415,666	(5,920,490)
<b>ADJUSTMENT FOR</b>		
Depreciation	4,665,187	5,093,376
Interest Received	(203,792)	(75,335)
interest Paid	2,512,216	2,635,682
Foreign currency Translation Reserve	113,524	518,736
Profit on sale of Fixed Assets	-	(24,712)
Loss on sale of Fixed Assets	105,564	348,574
Exchange (Gain)/Loss	(576,254)	31,075
<b>Operating Profit before working capital changes</b>	<b>7,032,111</b>	<b>2,606,906</b>
(Increase)/Decrease in Sundry Debtors	(4,665,384)	(6,541,114)
(Increase)/Decrease in Inventories	1,826,023	2,923,609
(Increase)/Decrease in Loans and advances	4,809,891	(991,254)
Increase/(Decrease) in Trade payables & Other Current liabilities	150,936	2,121,466
<b>Cash Generated from/(used in) Operations</b>	<b>9,153,577</b>	<b>(3,601,223)</b>
Income Tax Paid(Net)	(284,923)	
<b>Net cash generated from/(used in) operating activities [A]</b>	<b>8,868,654</b>	<b>(3,601,223)</b>
<b>B CASH USED IN INVESTING ACTIVITIES(B)</b>		
Purchase of fixed assets	(4,874,515)	-
Sale of Fixed Assets	290,000	201,670
Interest Received	203,792	69,401
<b>Net cash generated from/(used in) Investing Activity [B]</b>	<b>(4,380,723)</b>	<b>271,071</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of Vehicle Loan	640,436	-
Recovery of loan	300,000	2,200,000
Exchange Gain	576,254	(31,075)
Proceeds/(Repayment) of Export Credit Account	(1,869,741)	480,369
Interest Paid	(2,512,216)	(2,635,682)
<b>Net Cash generated from/(used in) Financing Activities [C]</b>	<b>(2,865,267)</b>	<b>13,612</b>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	<b>1,622,664</b>	<b>(3,316,540)</b>
Cash and Cash Equivalent at the beginning of the year	4,800,282	8,116,823
<b>Cash and Cash Equivalent at the End of the year</b>	<b>6,422,946</b>	<b>4,800,283</b>

As per our report of even date attached  
For P.L. Tandon & Co.  
Chartered Accountants

For and on behalf of Board of Directors

Sd/-

**RAJENDRA KUMAR GUPTA**  
( Partner )

Sd/-

**Alok Krishna Agarwal**  
(Director)

Sd/-

**Fiaz Ahmed**  
(Executive Director)

Place: Hoskote  
Date: 29.05.2014

## Milestone Global Limited

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