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**Milestone Global Limited**

**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**

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**Notice**

**NOTICE** is hereby given that the 25<sup>th</sup> Annual General Meeting (“AGM”) of the Members of Milestone Global Limited for the financial year 2014-15 will be held on Saturday, the 19<sup>th</sup> day of September, 2015 at 54-B, Hoskote Industrial Area (KIADB) , Chintamani Road, Hoskote– 562 114, Karnataka at 11.00 a.m.at the registered office of the Company 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 2015 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. Alok Krishna Agarwal, Director who retires by rotation and being eligible, offers himself for re-appointment.
3. 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).”

By order of the Board of Directors of

**Milestone Global Limited**

Alok Krishna Agarwal

Chairman

Date: August 11, 2015

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;
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- (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 13<sup>th</sup> September 2015 to 19<sup>th</sup> September 2015 (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.
  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 19, 2015.
  12. The e-voting period will commence from Thursday, 17 September, 2015 at 9.00 a.m. and will end at 6.00 p.m. on Friday, September 18, 2015. 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.
  - 15. Important Information about Attending the Annual General Meeting**  
**Members are requested to bring their photo ID proof to the Annual General Meeting (registration) for the easy identification purpose.**

Date: August 11, 2015  
Place: Hoskote

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

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**Milestone Global Limited**

**Reg. Off.: No 54-B, Hoskote Industrial Area (KIADB), Chintamani Road, Hoskote – 562114, Karnataka  
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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 25<sup>th</sup> Annual General Meeting (“AGM”) of the Company will be held at Saturday, the 19<sup>th</sup> day of September, 2015 at 54-B, Hoskote Industrial Area(KIADB), Chintamani Road, Hoskote – 562 114, Karnataka at 11.00 a.m.

The Notice of the above said AGM, Attendance 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

**The e-voting period commences on Thursday 17 September, 2015 at 9.00 a.m. and will end at 6.00 p.m. on Friday, September 18, 2015.**

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:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li></ul>

	<ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <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 the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Milestone Global Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the 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:
- Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
  - 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.

- 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 **Thursday 17 September, 2015 at 9.00 a.m. and will end at 6.00 p.m. on Friday, September 18, 2015** 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.

**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](http://www.milestonegloballimited.com)

CIN - L85110KA1990PLC011082

**ATTENDANCE SLIP**

25<sup>th</sup> Annual General Meeting –Saturday, 19<sup>th</sup> September 2015

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

I hereby record my presence at the 25<sup>th</sup> Annual General Meeting of the Company held on Saturday, the 19<sup>th</sup> day of September, 2015 at 54-B, Hoskote Industrial Area (KIADB) , 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

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**Board of Directors**

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

**Company Secretary**

Mrs. Smita Tripathi

**Registered Office and Works**

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

**Bankers**

Allahabad Bank

**Audit Committee**

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

**Nomination and Remuneration Committee**

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

**Stakeholders Relationship Committee**

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

**Board of Directors- Subsidiary Companies****Milestone Global (UK) Limited, UK**

Mr. Alok Krishna Agarwal

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

Mr. Alok Krishna Agarwal

**Milestone Global (US) INC, USA**

Mr. Alok Krishna Agarwal

Chairman  
Whole Time Director  
Independent Director  
Independent Director  
Independent Director  
Director

**Statutory Auditors**

M/s P L Tandon & Co. Kanpur

**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

Chairman  
Member  
Member

Chairman  
Member  
Member

Chairman  
Member  
Member

Director

Director

Director

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**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting their 25th Annual Report together with the audited statements of Accounts for the period ended 31<sup>st</sup> March 2015.

**1. THE FINANCIAL SUMMARY OR HIGHLIGHTS**

	(Rs. In Lakhs)	
	<u>Year Ended</u>	<u>Year Ended</u>
	31-03-2015	31-03-2014
Income from operations	732.52	714.11
Other income	2.88	2.04
Total	735.40	716.15
Total Expenditure	722.77	700.66
Profit/(Loss) before Tax	12.63	15.49
Provision for Taxation	(1.39)	1.26
Profit/(Loss) after Tax	14.02	14.23

**2. THE STATE OF THE COMPANY'S AFFAIRS:**

Financial Statement of the company has been prepared on standalone basis as prescribed in Rule 8(1) of the Companies Accounts Rules, 2014.

During the fiscal 2014, the Total Revenue of your Company has increased by 4.12%, Total Expenditure has increased by 3% and the Profit after tax has decreased by 20% when compared to the previous year.

During the year under review, your Company has also taken necessary steps to strengthen its competitive advantages, enhance its presence in profitable emerging markets and thus securing future growth momentum.

**3. DIVIDEND AND TRANSFER TO RESERVES:**

Your Directors are not recommending any Dividend on Equity Share Capital of the Company for the Current Financial year ending 31st March 2015. Hence, the amount to be transferred to any Reserve Account does not arise.

**4. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT:**

No Material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statement relate and the date of the report.

**5. THE CHANGE IN THE NATURE OF BUSINESS:**

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

**6. DIRECTORS OR KEY MANAGERIAL PERSONNEL:**

During the year under review Mr. Rajeev Kapoor, Mr. Naveen Chawla and Mr. Mayank Bughani were appointed as independent directors of the Company.. Ms. Sneha was appointed as director of the Company. Mrs. Smita Tripathi was appointed as a Company Secretary of the Company.

Mr. Alok Krishna Agarwal, Director of the Company who retires by rotation being eligible offer himself for reappointment.

**7. MEETINGS OF THE BOARD OF DIRECTORS:**

The Board has met 5 times during the financial year as on 29th May, 2014, 12th August, 2014, 12th November, 2014, 14<sup>th</sup> January 2015 and 12th February, 2015.



## **8. SUBSIDIARIES, JOINT VENTURES:**

No Company have become or ceased to be its subsidiaries, joint ventures during the year.

As on March 31, 2015, your company has total 3 (three) Subsidiaries whose details are as follows:

1. Milestone Global (UK) Limited, United Kingdom
2. Milestone Global (NZ) Limited, New Zealand
3. 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. Performance and Financial Position of each of the subsidiary, Companies as prescribed under the Rule 8(1) of the Companies Accounts Rules, 2014 have been furnished in Notes 27 and 28 forming part of the Accounts.

## **9. DEPOSITS**

The Company has not accepted any deposits; hence, the provisions with respect to the deposits, covered under Chapter V of the Act are not applicable.

## **10. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

No orders has been passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

## **11. THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FIANCIAL STATEMENTS:**

Adequate internal controls, systems, and checks are in place, commensurate with the size of the Company and the nature of its business. . Your Company has appointed Mr. Varun Bansal, Chartered Accountants, to conduct the internal audit, and the findings and recommendations of the Internal Auditors are placed before the Audit Committee of your Board regularly.

## **12. DIRECTORS' RESPONSIBILITY STATEMENT AS PER SECTION 134(5) OF THE COMPANIES ACT, 2013:**

As required U/s 134 (5) of the Companies Act, 2013, your Directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March 2015 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts for the period ending 31<sup>st</sup> March 2015 on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. Not Applicable
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**13. A STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS [section 134 (3) (p) and Rule 8(4) of the Companies (Accounts) Rules, 2014]:**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, of individual Directors.

**14. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:**

The Board has received the declaration from all the Independent Directors as per the requirement of Section 149(7) and The Board is satisfied that all the Independent Directors meets the criterion of independence as mentioned in Section 149(6).

**15. STATEMENT IS TO BE GIVEN ONLY IF THE COMPANY IS COVERED UNDER SECTION 177 & 178:**

1. Listed Co.,

2. Public Co. (Paid up Capital Rs.10 Cr/Turnover Rs.100 Cr/Borrowings Rs.50 Crs or more)

**a. Audit Committee**

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

**b. Nomination and Remuneration Committee**

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

**c. Stakeholders Relationship Committee**

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

Every Co (Net worth Rs.500 Cr / Turnover Rs.1000 Cr / Net Profit Rs.5 Cr or more)

**d. Corporate Social Responsibility Committee** This is not applicable to the Company

**16. AUDITORS:**

M/s P.L Tandon & Co. Chartered Accountants, of (Reg. No. 000186C) Kanpur, retiring auditors who holds office up-to the conclusion of ensuing 25th annual general meeting, being eligible offer themselves for reappointment from the conclusion of this Annual General Meeting till the conclusion of 26<sup>th</sup> AGM.

**17. SECRETARIAL AUDIT REPORT:**

A copy of the Secretarial audit report as provided by M/s Saurabh Gupta & Associates , Practising Company Secretaries, as required under Section 204(1) of the Companies Act, 2013 is annexed to this Report as annexure.

**18. EXPLANATIONS OR COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITORS:**

a) Independent Auditors Report:

The Notes to Accounts forming part of Annual accounts are Self-Explanatory and need no further explanation. There are no qualifications/remarks raised in Auditors Report requiring clarification.

(b) Secretarial Audit Report:

There are no qualifications/remarks raised in Secretarial Auditors Report requiring clarification and The Secretarial Audit Report annexured to this report.

**19. A STATEMENT OF DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:**

Your Company has a well defined Risk Management System in place, as a part of its good Corporate Governance practices.

## 20. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO - Rule 8(3) of the Companies (Accounts) Rules, 2014

(A) Conservation of energy-

- (i) the steps taken or impact on conservation of energy;
- (ii) the steps taken by the company for utilising alternate sources of energy;
- (iii) the capital investment on energy conservation equipments;

(B) Technology absorption-

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - (a) the details of technology imported;
  - (b) the year of import;
  - (c) whether the technology been fully absorbed;
  - (d) if not fully absorbed, areas where absorption has not taken place, and the
- (iv) The expenditure incurred on Research and Development.

(C) Foreign exchange earnings and Outgo The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

	<b>Rupees in LAKHS</b>	
	<b>2014-15</b>	<b>2013-14</b>
i Value of Import on CIF basis:		
Raw materials	41.80	41.10
Components and Spare Parts	10.62	10.87
ii. Expenditure in Foreign Currency	Nil	NIL
iii. Earning in Foreign Exchange		
Export of Goods calculated on FOB Basis	716.63	696.04
iv. Value of Raw Materials, Stores & Spare Parts Etc. Consumed		
<b>Imported Value of</b>		
a) Raw Materials	41.80	41.10
b) Stores & Spare Parts etc.	10.62	7.49

## 21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Particulars of loans, guarantees or investments under section 186, are given in the Notes forming part of Financial Statements for the year ended 31st March, 2015.

## 22. THE PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188:

There are no materially significant related party transactions made by the Company with P r o m o t e r s , Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large.

## 23. DISCLOSURES ABOUT CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

This is not applicable to the Company.

## 24. THE EXTRACT OF THE ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92:

The extract of the annual return as provided under sub-section (3) of section 92 in form MGT 9 is annexured to this report.

25. **DISCLOSURE IN RESPECT OF VOTING RIGHTS NOT EXERCISED DIRECTLY BY THE EMPLOYEES IN RESPECT OF SHARES TO WHICH THE SCHEME RELATES [section Section 67(3)]:** Not Applicable to the Company.
26. **THE DETAILED REASONS FOR REVISION OF SUCH FINANCIAL STATEMENT OR REPORT [Section 131(1)]:** This is not applicable
27. **RE APPOINTMENT OF INDEPENDENT DIRECTORS: To be recorded** This is not applicable.
28. **THE REASONS FOR THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF THE AUDIT COMMITTEE [Section 177 (8)]:** There are no such recommendations.
29. **THE VIGIL MECHANISM [Section 177 (10)]:**The Management has sufficient vigil mechanism to handle the situation.
30. **THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION [Section 197 (12) - Listed Company]:** Only one Director is getting remuneration, Whole time Director is getting remuneration therefore this clause is not applicable.
30. **DETAILS OF DIRECTORS WHO IS IN RECEIPT OF ANY COMMISSION FROM THE COMPANY AND WHO IS A MANAGING OR WHOLE-TIME DIRECTOR OF THE COMPANY [Section 197(14)]:**  
Not any Director is getting commission from the Company so this is not applicable to the Company.
31. **UNDER THE HEADING "CORPORATE GOVERNANCE" [Schedule V Part II Section II point IV]:**  
As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Report on corporate governance practices followed by the Company, together with certificate from the Company's Auditors confirming compliance is attached.
32. **THE ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS WAS COMPLETED [Rule 4 of the Companies (Share Capital and Debentures) Rules, 2014]:**  
The Company has not issued any Equity shares with Differential Rights during the year so this clause is not applicable.
33. **THE VOTING RIGHTS ARE NOT EXERCISED DIRECTLY BY THE EMPLOYEES IN RESPECT OF SHARES TO WHICH THE SCHEME RELATES:**  
This clause is not applicable to the Company.
34. **DETAILS OF ISSUE OF SWEAT EQUITY SHARES [Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014]:**  
The Company has not issued Sweat Equity shares during the year so this clause is not applicable.
35. **DETAILS OF EMPLOYEES STOCK OPTION SCHEME [Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014]:**  
The Company does not have Employees Stock Option Scheme so this clause is not applicable.
36. **PARTICULARS OF EMPLOYEES:**  
None of the employees of the Company was in receipt of remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956. Hence, particulars as required under the Companies (Particulars of Employees) Rules, 1975 are not given.

Place: Hoskote  
Date: 11<sup>th</sup> August 2015

For and on behalf of the Board of Directors  
Alok Krishna Agarwal  
Chairman

# Milestone Global Limited

Annexure A

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March 2015

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

### I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- L85110KA1990PLC011082
- ii) Registration Date :23.07.1990
- iii) Name of the Company : MILESTONE GLOBAL LIMITED
- iv) Category / Sub-Category of the Company :Public Company
- v) Address of the Registered office and contact details : :54-B, HOSKOTE INDUSTRIAL AREA(KIADB), CHINTAMANI ROAD, HOSKOTE - 562114
- vi) Whether listed company **Yes**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :  
Integrated Enterprises (India) Ltd, 30, Ramana Residency, 4th Cross, Sampige Road, M a l l e s w a r a m , Bangalore-560003, Phone No. 080-23460815

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of	NIC Code of the main products / services	% to total Product/ service turnover of the company
1	Granite Sculpturing ( Other Business activities)	74999	99.9

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Milestone Global (UK) Limited	-	Subsidiary	100%	2(87)
2	Milestone Global (NZ) Limited	-	Subsidiary	100%	2(87)
3	Milestone Global(US) Inc	-	Subsidiary	100%	2(87)

### IV. SHARE HOLDING PATTE]RN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
(a) Individual /HUF	6,000	29,84,285	29,90,285	59.60	29,86,885		29,86,885	59.53	0.07
(b) Central Govt									
(c) State Govt (s)									

(d) Bodies Corp.									
(e) Banks/FI									
(f) Any Other....									
<b>Sub-total (A) (1):-</b>	6,000	29,84,285	29,90,285	59.60	29,86,885		29,86,885	59.53	0.07
<b>(2) Foreign</b>									
(a) NRIs - Individuals									
(b) Other – Individuals									
(c) Bodies Corp.									
(d) Banks/FI									
(e) Any Other....									
<b>Sub-total (A) (2):- Total</b>	6,000	29,84,285	29,90,285	59.60	29,86,885		29,86,885	59.53	0.07
<b>shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	6,000		29,84,285	29,90,285	59.60	29,86,885	29,86,885	59.53	0.07
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds									
(b) Banks/FI									
(c) Central Govt									
(d) State Govt(s)									
(e) Venture Capital Funds		1,00,000				1,00,000			
(f) Insurance Companies									
(g) FIIs									
(h) Foreign Venture Capital Funds	2,00,000		3,00,000	5.98	2,00,000		3,00,000	5.98	0
(i) Others (specify)									
<b>Sub-total (B) (1):-</b>									
<b>2. Non- Institutions</b>									
(a) Bodies Corp	1,12,698	7,61,610	874308	17.43	7,94910	79,500	8,74,410	17.43	
(i) Indian									
(ii) Overseas	1,46,202	3,20,365	4,66,567	9.30	1,52,528	3,19,565	4,72,093	9.41	0.11
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	35,640	1,50,200	1,85,840	3.70	33,312	1,50,200	1,83,512	3.66	-0.04

## Milestone Global Limited

(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh									
(c) Others (specify)									
Sub-total (B)(2):-	4,95,040	12,32,175	17,27,215	34.42	11,81,350	5,49,265	17,30,615	34.49	0.07
Total Public Shareholding (B)=(B)(1)+(B)(2)	7,01,040	43,16,460	50,17,500	100	43,68,235	6,49,265	50,17,500	100	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	7,01,040	43,16,460	50,17,500	100	43,68,235	6,49,265	50,175,00	100	

### B. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Sunil Kumar Agarwal	6,000	0.12	-	6,000	0.12	-	-
2	Alka Agarwal	19,30,015	34.87	-	24,27,455	48.38	-	13.51
3	Alok Krishna Agarwal	5,00,930	9.98	-	5,53,430	11.03	-	1.05
4	Sangeeta Gupta	3,400	0.07	-	-	-	-	-
5	Anjali Agarwal	52,500	1.05	-	-	-	-	-
6	Pushpa Agarwal	4,97,440	9.91	-	-	-	-	-
	<b>Total</b>	29,90,285	59.60	-	29,86,885	59.53	-	-

### C. Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	29,90,285	59.60	29,90,285	59.60
Date wise Increase /Decrease in Promoters Share holding during the years specifying thereasons for increase /				

decrease (e.g. allotment /transfer /bonus/ sweat equity etc):		3,400		
At the end Of the year			29,86,885	59.53

**D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	20,27,215	40.40	20,27,215	40.40
Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			3,400	
At the End of the year ( or on the date of separation, if separated during the year)			20,30,615	40.47

**E. Shareholding of Directors and Key Managerial Personnel:**

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	5,00,930	9.98	5,00,930	9.98
Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus / sweat equity etc):	52,500	1.05		
At the end of the year			5,53,430	11.03

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,49,94,180			2,49,94,180



## Milestone Global Limited

ii) Interest due but not paid			
iii) Interest accrued but not due			
<b>Total (i+ii+iii)</b>	2,49,94,180		2,49,94,180
<b>Change in Indebtedness during the financial year</b>			
Addition	43,96,805		43,96,805
Reduction			
<b>Net Change</b>	43,96,805		43,96,805
<b>Indebtedness at the end of the financial year</b>			
i) Principal Amount	2,93,90,985		2,93,90,985
ii) Interest due but not paid			
iii) Interest accrued but not due			
<b>Total (i+ii+iii)</b>	2,93,90,985		2,93,90,985

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager WTD-FIAZ AHMED	Total Amount (Rs.)
1.	Gross salary	2,88,600	2,88,600
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission as % of profit others, specify	-	-
5.	Others, please specify	-	-
	<b>Total (A)</b>	<b>2,88,600</b>	<b>2,88,600</b>
	Ceiling as per the Act	-	-

[Separate sheet to be attached for each Managing Director, Whole-time Directors and/or Manager]

#### B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	NIL	-
	Others, please specify	-	-
	<b>Total (1)</b>		
2.	Other Non-Executive Directors	NIL	-
	Others, please specify	-	-
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>		
	<b>Total Managerial Remuneration</b>		
	<b>Overall Ceiling as per the Act</b>		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross salary	12,00,000	2,10,000	1,40,000	15,50,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	<b>12,00,000</b>	<b>2,10,000</b>	<b>1,40,000</b>	<b>15,50,000</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There are no PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES on the Company

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made , if any(give Details)
<b>A. COMPANY</b>	NIL	NIL	NIL	NIL	NIL
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>	NIL	NIL	NIL	NIL	NIL
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS</b>					
<b>IN DEFAULT</b>	NIL	NIL	NIL	NIL	NIL
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf on the Board

Alok Krishna Agarwal  
Chairman

Place:Hoskote

Date: 11<sup>th</sup> August 2015

**Annexure B**

Form No. MR-3 SECRETARIAL AUDIT REPORT

## Secretarial Audit Report

For the Financial year ended 31<sup>st</sup> March 2015  
[Pursuant to Section 204(1) of the Companies Act, 2013  
and Rule No. 9 of the Companies (Appointment and Remuneration of  
Managerial Personnel) Rules, 2014]

To,  
The Members,  
Milestone Global Limited,  
54—B, Hoskote Industrial Area (KIADB),  
Chintamanin Road,  
Hoskote—562114 Karnataka.

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

Based on our verification of the Milestone Global Limited, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering financial year ended on 31<sup>st</sup> March 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Milestone Global Limited ("The Company") for the period ended on 31<sup>st</sup> March 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Foreign Direct Investment and Overseas Direct Investment not applicable during the Audit Period);
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable as the Company has not issued any Capital during the Audit Period);
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock option purchase Guidelines, 1999 (Not applicable as the Company has not issued any ESOP);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable as the Company has not issued / listed any debt securities);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 - regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);
- VI. As per the representation by the Management there is no Law specifically applicable to the Company.  
I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not applicable to the company during the Audit Period).
- ii) The Listing Agreements entered into by the Company with the Stock Exchange(s).

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

**I further report that**

The Board of Director of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Decisions at the Board meeting and committee meetings were carried through on the basis of majority as recorded in the minutes of the meetings. As represented by the Management, there were no dissenting views by any member of the Board of Directors or committee of the Board as the case may be during the period under review.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me generally there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

The Company has filed/submitted few forms, return, information • as prescribed under Companies Act, 2013, after the due date. Website of the Company is to be updated, necessary information, data etc. as prescribed under Listing Agreement, Companies Act, 2013, to be mentioned.

Information available in view index of charges, signatory details (at [www.mca.gov.in](http://www.mca.gov.in)) is to be updated.

for Gupta Saurabh & Associates

Company Secretaries

Saurabh Gupta

PCS No. 5468 C P No. 4910

Place : Kanpur

Date : 25<sup>th</sup> day of May 2015

This report is to be read with our letter of even date which is annexed as Annex'ure A and forms an integral part of this report.

**Annexure "A"**

To,  
The Members,  
Milestone Global Limited,  
54—B, Hoskote Industrial Area (KIADB),  
Chintamanin Road,  
Hoskote—562114 Karnataka.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the 'audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to . the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

for Gupta Saurabh & Associates

Place : Kanpur

Date : 25<sup>th</sup> day of May 2015

Company Secretaries

Saurabh Gupta

PCS No. 5468 C P No. 4910

## 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 (2014-15)

The overall GDP forecast for 2015-16 is estimated at 7.7%.

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 2015-16, 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, titles, 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 lot 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 31.03.2015 is Rs 732.52 Crores compared to the Previous Year turnover of Rs 714.11 Crores showing an increase of Rs. 18.41 Crore. The Company has incurred net Profit of Rs. 14.02 lakhs as against a profit of Rs. 14.23 lakhs in the previous year. The Earning per is. Rs.( 0.28.)

### **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 Milestone Global Limited, Corporate Governance is not a destination, but a journey, a journey wherein it seek to perpetually improve the conscience of the well balance interested of all the stakeholders as it walks the miles, spends the years, does create more world class monuments and spread its presences through continents to touch more and more lives and their memories. Further, it is a blend of rules, regulations, laws and voluntary practices that enables the 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 six (6) directors, two of them are Executive Directors and four of them are Non-Executive Directors. The Chairman of the Board is an 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, 2015

Sl. No.	Name of Director	Director Identification Number (DIN)	Age	Category	No. of other Directorships held in other Public Companies as on		Number of Committee Chairmanships/ Membership held in other Public Limited Companies as on	
					31-03-2015		31-03-2015	
					Chairman	Director	Chairman	Member
1	Mr. Alok Krishna Agarwal	00127273	51	Chairman	0	7	0	0
2	Mr. Fiaz Ahmed	02021233	65	ED	0	0	0	0
3	Mr. Rajeev Kapoor	01358390	48	NEID	0	0	0	0
4	Mr. Naveen Chawla	01754938	41	NEID	0	0	0	0
5	Mr. Mayank Bughani	02809728	33	NEID	0	0	0	0
6	Ms. Sneha	06955629	33	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 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 Krishna Agarwal	Brother of Mrs. Alka Agarwal, CEO of the Company

## Milestone Global Limited

### b. 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.

### c. Board Meetings

Five Board Meetings were held during the financial year ended March 31, 2015. These meetings were held on 29.05.2014, 12.08.2014, 12.11.2014, 14.01.2015 and 12. 02.2015.

### d. Directors' Attendance Record

The attendance of Directors at the Board Meetings held during the financial year ended March 31, 2015 and at the previous Annual General Meeting.

Sl. No	Name of Director	Board Meetings during the period April 01, 2014 to March 31, 2015		Whether present at the previous AGM held on September 20, 2014
		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
6	Ms. Sneha	5	5	No

### e. Brief Profile of Directors seeking appointment / reappointment at the ensuing Annual General Meeting to be held on September 19, 2015

Name	Mr. Alok Krishna Agarwal
Age	51
No. of shares held in the Company	5,53,430
Qualification	LLB
Expertise in Specific functional Area List of Public Limited Companies in which outside Directorship held	He is an advocate in Supreme Court WEARIT GLOBAL LIMITED, BAJAJ HINDUSTHAN SUGAR LIMITED, S P B P TEA ( INDIA ) LIMITED, HIND SYNTEX LTD, LALITPUR POWER GENERATION COMPANY LIMITED, PURI OIL MILLS LIMITED, THE SCOTTISH ASSAM (INDIA) LTD,
Chairman/Member of the Committee(s) of Board of Directors of the Company	NIL
Chairman/Member of the Committee(s) of Board of Directors of the other Companies in which he/she is a Director	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. This 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.

The Audit Committee 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.

During the financial year ended on March 31, 2015, the committee met 4 times on 29.05.2014, 12.08.2014, 12.11.2014 and 12.02.2015 and the details of attendance of the members at the said meetings of the committee are 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. NOMINATION AND 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 committee was reconstituted. The committee presently consists of the following three Non-Executive Independent Directors. There was one meeting of committee during the year.

Name of Member	Status	No. of Meeting	
		Held	Attended
Mr. Naveen Chawla	Chairman	1	1
Mr. Mayank Bughani	Member	1	1
Mr. Rajeev Kapoor	Member	1	1

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.

### Stakeholders' relationship 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, 2015, the committee met 1 time on 09-08-2014 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 meetinmgs	
		Held	Attended
Mr. Mayank Bughani	Chairman	1	1
Mr. Fiaz Ahmed	Member	1	1
Mr. Alok Krishna Agarwal	Member	1	1

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

### 5. DETAILS OF REMUNERATION PAID DURING THE FINANCIAL YEAR ENDED MARCH 31, 2015 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	2,88,600	Nil	Nil	2,88,600	NIL

#### (ii) Non Executive Directors

The Company does not pay any remuneration to its Non- Executive Directors. The Non-Executive Directors of the Company do not hold 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, 2015.

## 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
2013-14	Hotel Park Field, No. 154, Doddanallura, off Chintamani Road, Hoskote-, Bagalore-562 114	20.09.2014 11.00 A.M.	No special resolution passed.
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	Nandini Palace, No.4034, 100 Feet Road, Indira Nagar, Bangalore – 560 038	29.09.2012. 10.30 A.M	No special resolution passed.

During the year 2014-15, there is no extra ordinary general meeting has been held.

## 6. 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.

- 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:

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.

## 7. 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 (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.

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

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

## 9. GENERAL SHAREHOLDERS INFORMATION:

### a) Ensuing Annual General Meeting

The 25<sup>th</sup> Annual General Meeting of the Company will be held on 19<sup>th</sup> September, 2015 at 11:00 am 54-B, Hoskote Industrial Area(KIADB), Hoskote, Bangalore – 562 114. At the registered office of the Company.

### b) Registered Office and works

The registered office and works of the Company are as follow:

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, 2015	2 <sup>nd</sup> week of August 2015
September 30, 2015	2 <sup>nd</sup> week of November 2015
December 31, 2015	2 <sup>nd</sup> week of February 2016
March 31, 2016	3 <sup>rd</sup> week of May 2016

**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 13<sup>th</sup> September 2015 to 19<sup>th</sup> September 2015 for the purpose of the 25<sup>th</sup> Annual General Meeting.

**g) Listing fee**

The Company has paid Annual Listing Fees for the year 2015-16 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 with 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:

Integrated Enterprises (India) Ltd  
30, Ramana Residency,  
4th Cross, Sampige Road, Malleswaram,  
Bangalore 560003  
Phone: 080 – 23460815 – 818  
Fax: 080 23460819  
E-Mail:irg@integratedindia.in

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	657	96.05	444943	8.87
5001                      10000	7	1.02	47650	.95
10001                     20000	4	0.58	53172	1.06
20001                     30000	1	0.15	20440	0.41
30001                     40000	6	0.88	233300	4.65
40001                     50000	0	0.00	0	0.00
50001                     100000	5	0.73	435000	8.67
100001 and Above	4	0.58	3782995	75.40
<b>TOTAL</b>	<b>684</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:

Mrs. Smita Tripathi  
 Company Secretary  
 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 & Co., 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 lying 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) Corporate Social Responsibility Committee**

Not applicable to the Company

**t) 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.

**10. 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.

**11. 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, 2015.

Place: Hoskote  
 Date: August 11, 2015

Sd/-  
 Alka Agarwal  
 Chief Executive Officer

\*\*\*\*\*

**Auditor's Certificate on Corporate Governance**

To the Members of  
**MILESTONE GLOBAL LIMITED.**

We have examined the compliance of conditions of Corporate Governance by MILESTONE GLOBAL LIMITED for the year ended 31<sup>st</sup> March, 2015. 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. 000186C

Place: Kanpur.  
Date: 29-05-2015

P. P.SINGH  
(PARTNER)  
Membership No. 072754

## 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: August 11, 2015

**Alka Agarwal**

Chief Executive Officer

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

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of MILESTONE GLOBAL LIMITED ("the Company") which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstance but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 accoyating principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its 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 ,2015 ("the Order"), issued by the Central Government of India in terms of sub - section (11) of section 143 of the Companies Act,2013, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable,

2. As required by Section 143 (3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statements dealt with by this Report are in agreement with the books of account, d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i). The Company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position in its financial statements - Refer Note 32 to the financial statements

(ii).The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii). There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For P.L.TANDON & CO  
Chartered Accountants  
Registration Number: 000186C  
P.P. SINGH  
(PARTNER)  
Membership Number : 072754

Place: KANPUR

Date:29.05.2015

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Re: MILESTONE GLOBAL LIMITED

**The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2015, We report that:**

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 other than furniture and fixtures and office equipments.

(b) All the assets have not been physically verified by the management during the year but there is a regular program me 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.

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 by the Company to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013, 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 Rs 50.75 Lacs and the year end balance of such loan granted was Rs. 41.75 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.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems 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 our opinion and according to information and explanations given to us, the company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act , 2013 , therefore , the provisions the Companies (Auditor's Report) order, 2015, are not applicable to the company.
- vi. The Central Government has not prescribed the maintenance of cost records by the Company under sub section (1) of section 148 of the Companies Act,2013 for any of its products.
- vii. 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, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund , Employees State Insurance , Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material Statutory dues were in arrear as at 31<sup>st</sup> March, 2015 for a period more than six months from the date they became payable.
- (b) According to the records of the company, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty or value added tax and cess which have not been deposited on account of any dispute.
- (c) According to the information and explanations given to us the amount which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- viii. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks or debenture holders.
- x. 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
- xi. In our opinion, the term loans have been applied for the purpose for which they were raised.
- xii. 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:29.05.2015

For P.L.TANDON & CO  
Chartered Accountants  
Registration Number: 000186C  
P.P. SINGH  
(PARTNER)  
Membership Number : 072754

# Milestone Global Limited

## BALANCE SHEET AS AT

	NOTE NO.	31.03.2015 Rs.	31.03.2014 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUNDS</b>			
Share Capital	2	50,175,000	50,175,000
Reserves And Surplus	3	24,148,489	27,869,457
		<b>74,323,489</b>	<b>78,044,457</b>
<b>NON CURRENT LIABILITIES</b>			
Long Term Borrowings	4	403,740	640,436
		<b>403,740</b>	<b>640,436</b>
<b>CURRENT LIABILITIES</b>			
Short Term Borrowings	5	28,987,245	24,353,744
Trade Payables	6	2,112,035	977,540
Other Current Liabilities	7	1,599,563	2,756,070
		<b>32,698,843</b>	<b>28,087,354</b>
<b>TOTAL</b>		<b><u>107,426,072</u></b>	<b><u>106,772,247</u></b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Tangible Assts	8	26,988,145	33,496,912
Capital Work in Progress		2,425,000	2,425,000
Non-Current Investments	9	7,150,874	7,150,874
Deferred Tax Assets (Net)	10	2,121,243	1,811,500
Long-Term Loans And Advances	11	5,462,643	6,588,813
		<b>44,147,905</b>	<b>51,473,099</b>
<b>CURRENT ASSETS</b>			
Inventories	12	23,929,385	22,212,000
Trade Receivables	13	16,519,226	18,480,498
Cash And Cash Equivalents	14	5,270,291	1,801,417
Short-Term Loans And Advances	15	17,559,265	12,805,233
		<b>63,278,167</b>	<b>55,299,148</b>
<b>TOTAL</b>		<b><u>107,426,072</u></b>	<b><u>106,772,247</u></b>
<b>Significant Accounting Policies And Notes On Financial Statement</b>	<b>1-38</b>		

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

For and on Behalf of Board of Directors

Chartered Accountants

Sd/-  
P.P. SINGH  
( Partner )

Sd/-  
Alok Krishna Agarwal  
(Director)

Sd/-  
Fiaz Ahmed  
(Executive Director)

Place: Hoskote  
Date: 29.05.2015

## PROFIT &amp; LOSS STATEMENT FOR THE YEAR ENDED

PARTICULARS	NOTE NO.	2014-2015 Rs.	2013-2014 Rs.
<b>REVENUE FROM OPERATIONS</b>			
Revenue From Operations	16	73,252,253	71,411,916
Other Income	17	287,939	203,792
<b>TOTAL REVENUE</b>		<b>73,540,192</b>	<b>71,615,708</b>
<b>EXPENSES</b>			
Cost Of Material Consumed	18	38,400,256	39,408,060
Changes In Inventories Of Finished Goods And Work-In-Progress	19	(780,385)	1,462,000
Employee Benefits Expenses	20	10,024,989	8,869,407
Finance Costs	21	2,800,317	2,512,216
Depreciation And Amortization Expense	22	3,116,597	4,486,157
Other Expenses	23	18,715,349	13,328,428
<b>TOTAL EXPENSES</b>		<b>72,277,123</b>	<b>70,066,268</b>
<b>Profit Before Tax</b>		<b>1,263,069</b>	<b>1,549,440</b>
<b>Tax Expense</b>			
Current Tax		(240,614)	(300,000)
Deferred Tax Credit		309,743	173,711
Mat Credit Entitlement		69,572	
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>1,401,770</b>	<b>1,423,151</b>
Earning Per Equity Share Of Rs. 10 Each			
Basic		0.28	0.28
Diluted		0.28	0.28

Significant Accounting Policies And Notes  
On Financial Statement

1-38

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

For and on Behalf of Board of Directors

Chartered Accountants

Sd/-  
P.P. SINGH  
( Partner )Sd/-  
Alok Krishna Agarwal  
(Director)Sd/-  
Fiaz Ahmed  
(Executive Director)Place: Hoskote  
Date: 29.05.2015



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH'2015

### 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 on the useful Life computed in accordance with Schedule II of the Companies Act, 2013.

#### 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:

a. 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.

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

#### vi) Revenue Recognition:

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

b. Sales are net of discounts.

#### vii) Retirement Benefit:

a. 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.

b. 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 31.03.2015	As at 31.03.2014
<b>SHAREHOLDER'S FUNDS</b>		
<b>SHARE CAPITAL:</b>		
<b>2.1 Authorised:</b>	<b>52,500,000</b>	<b>52,500,000</b>
5,250,000 Equity shares of Rs. 10/- each		
<b>2.2 Issued, Subscribed &amp; Fully Paid Up</b>		
50,17,500 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		
Equity Shares at the Beginning of the Year	Number 5017500	Number 5017500
Equity Shares at the End of the Year	5017500	5017500
	<b>No. of Shares Held</b>	<b>% of Shares Held</b>
	<b>% of Shares Held</b>	<b>No. of Shares Held</b>
	<b>% of Shares Held</b>	<b>% of Shares Held</b>
<b>2.3 Details Of Shareholders Holding More Than 5 % Shares</b>		
( Equity Shares In Nos. Of Rs. 10 Each)		
Smt. Alka Agarwal	2180205	43.45
M/s. Ketiki Investment & Consultancy Pvt Ltd.	682110	13.59
Alok Krishna Agarwal	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	11,441,387	10,018,236
<b>Add:- Profit For The Year</b>	<u>1,401,770</u>	<u>1,423,151</u>
(Balance In Statement Of Profit & Loss)		
<b>Less:-Adjustment during the year [Refer Note No. 31]</b>	(5,122,738)	
	<b>7,720,419</b>	<b>11,441,387</b>
<b>GRAND TOTAL</b>	<b>24,148,489</b>	<b>27,869,457</b>
<b>NON CURRENT LIABILITIES</b>		
<b>4 LONG-TERM BORROWINGS:</b>		
HDFC Bank car loan	403,740	640,436
(Secured By Hypothecation Of Vehicle)		
<b>CURRENT LIABILITIES</b>		
<b>5 SHORT-TERM BORROWINGS:</b>		
<b>Secured Loans From Banks</b>		
Export Credit Loans	28,987,245	24,353,744
(Secured By Hypothecation Of Inventories And Export Receivable)		
<b>6 TRADE PAYABLES</b>		
<b>6.1 Sundry Creditors</b>	2,112,035	977,540
<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	1,599,563	2,084,217
	<b>1,599,563</b>	<b>2,756,070</b>

Note :- Other Payables includes Employees Liabilities, Statutory Liabilities and advance from customer etc.

NOTE NO.8

ANNEXURE OF FIXED ASSETS AS ON 31.03.2015

Sl. No.	Fixed Assets	Gross Block				Depreciation				Net Block	
		As at 01.04.14	Addition During the year	Deduction During the year	As at 31.03.15	As at 01.04.14	Adjustment	For The Year	As at 31.03.15	WDV as at 31.03.15	WDV as at 31.03.14
1	FREEHOLD LAND	1,213,103	-	-	1,213,103	-	-	-	-	1,213,103	1,213,103
2	GODOWN BUILDING	1,430,910	-	-	1,430,910	432,200	49,415	16,880	498,495	932,415	998,710
3	FACTORY BUILDING	31,526,144	-	-	31,526,144	19,023,979	3,595,523	371,790	22,991,292	8,534,852	12,502,165
4	PLANT AND EQUIPMENTS	100,935,030	1,512,566	-	102,447,596	85,194,389	1,747,798	2,100,570	89,042,757	13,404,839	15,740,641
5	FURNITURE AND FIXTURE	6,139,955	92,000	-	6,231,955	4,658,357	108,433	294,947	5,061,737	1,170,218	1,481,598
6	VEHICLES (CARS)	3,029,446	-	-	3,029,446	1,629,984	(429,683)	262,386	1,462,687	1,566,758	1,399,462
7	COMPUTERS	1,968,518	125,999	-	2,094,517	1,807,285	51,249	70,024	1,928,558	165,960	161,233
	<b>TOTAL</b>	<b>146,243,106</b>	<b>1,730,565</b>	<b>-</b>	<b>147,973,671</b>	<b>112,746,194</b>	<b>5,122,735</b>	<b>3,116,597</b>	<b>120,985,526</b>	<b>26,988,145</b>	<b>33,496,912</b>
	<b>CAPITAL WORK IN PROGRESS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,425,000</b>	<b>2,425,000</b>
	<b>PREVIOUS YEAR</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>-</b>	<b>4,486,157</b>	<b>112,746,194</b>	<b>35,496,912</b>	<b>35,929,119</b>

**NON CURRENT ASSETS****9 NON CURRENT INVESTMENT (At Cost):****Subsidiary Companies**

	Value	No. of Shares	No. of Shares
Milestone Global(UK)Limited	GBP 1/-	87331	87331
Milestone Global(NZ)Limited	NZ \$1/-	100	100
		<b>7,147,980</b>	<b>7,147,980</b>
		<b>2,894</b>	<b>2,894</b>
		<b>7,150,874</b>	<b>7,150,874</b>

**10 DEFERRED TAX ASSETS (NET):****10.1 Deferred Tax Assets**

Difference Between Net Book Value Of Depreciable Capital Assets As Per Books Vis-A-Vis Written Down Value As Per Income Tax		767123	665,100
Item Under The Income Tax Act Which Will Be Allowed On Actual Payment.		118,120	-
Unabsorbed Losses		1,236,000	1,146,400
		<b>2,121,243</b>	<b>1,811,500</b>

**11 LONG TERM LOANS AND ADVANCES:**

(Unsecured Considered Good Unless Otherwise Stated)

Security Deposits		1,287,643	1,513,813
Loan To Related Party		4,175,000	5,075,000
		<b>5,462,643</b>	<b>6,588,813</b>

**12 INVENTORIES:**

(Stock As Valued And Certified By Management)

Raw Materials		10,397,000	9,120,000
Work In Progress		10,525,385	9,760,000
Finished Goods		960,000	945,000
Store & Spares		2,047,000	2,387,000
		<b>23,929,385</b>	<b>22,212,000</b>

**13 TRADE RECEIVABLES:**

(Unsecured Considered Good Unless Otherwise Stated)

Over Six Months		-	406,326
<b>Others</b>			
Recoverable From Related Parties		2,799,402	1,492,606
Recoverable From Others		13,719,824	16,581,566
		<b>16,519,226</b>	<b>18,480,498</b>

**14 CASH & CASH EQUIVALENTS :****Balance With Banks**

In Fixed Deposits (Pledged With Bank)		3,043,879	334,323
In Current Accounts		744,287	168,451
Cash on Hand		1,482,125	1,298,643
		<b>5,270,291</b>	<b>1,801,417</b>

**15 SHORT TERM LOANS & ADVANCES:**

(Unsecured Considered Good Unless Otherwise Stated)

Advances To Related Party		8,540,125	9,672,626
Advance to Suppliers & Others		5,128,798	-
Service Tax Recoverable		1,702,846	1,478,665
Commercial tax recoverable		1,709,007	1,438,711
Advance Income Tax & Tax Deducted At Source Paid (Net Of Provisions)		262,671	64,586
Prepaid Expenses		215,818	150,645
		<b>17,559,265</b>	<b>12,805,233</b>

# Milestone Global Limited

<b>16 REVENUE FROM OPERATIONS</b>			
Sale Of Granite		73,232,069	70,334,863
<b>Other Operating Revenues</b>			
Miscellaneous Income	-		1,322
Exchange Gain	20,184	20,184	1,077,053
		<b>73,252,253</b>	<b>71,411,916</b>
<b>17 OTHER INCOME:</b>			
Interest Income		279,712	203,792
Income Tax Refund		8,227	-
		<b>287,939</b>	<b>203,792</b>
<b>18 COST OF MATERIALS CONSUMED</b>			
Name Of Materials			
Stone		30,625,444	33,423,354
Others		7,774,812	5,984,706
		<b>38,400,256</b>	<b>39,408,060</b>
<b>19 CHANGES IN INVENTORIES OF FINISHED GOODS</b>			
<b>Stock At Commencement</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>Stock At Close</b>			
Finished Goods		960,000	945,000
Goods In Process		10,525,385	9,760,000
		<b>11,485,385</b>	<b>10,705,000</b>
<b>TOTAL</b>		<b>(780,385)</b>	<b>1,462,000</b>
<b>20 EMPLOYEE BENEFITS EXPENSE</b>			
Salaries And Wages		6,964,591	6,051,818
Contribution To Provident And Other Funds		19,795	10,644
Staff Welfare Expenses		129,987	20,124
Job Work Charges		2,910,616	2,786,821
		<b>10,024,989</b>	<b>8,869,407</b>
<b>21 FINANCIAL COSTS:</b>			
Interest Expense		2,800,317	2,512,216
		<b>2,800,317</b>	<b>2,512,216</b>
<b>22 DEPRECIATION AND AMORTZATION EXPNSE:</b>			
Depreciation		3,116,597	4,486,157
		<b>3,116,597</b>	<b>4,486,157</b>
<b>23 OTHER EXPENSES:</b>			
<b>Manufacturing Expense :</b>			
Power & Fuel		2,615,091	2,477,599
Repair To Machinery		1,419,535	1,110,236
Repair To Buildings		249,808	659,871
Other Manufacturing Expenses		908,384	731,573
		<b>5,192,818</b>	<b>4,979,279</b>
<b>Administrative Expense</b>			
Insurance		138,408	184,375
Exchange loss		799,694	-
Rates & Taxes		160,827	204,680
Travelling		2,206,907	434,132
Rent		140,000	175,500
Professional & Consultancy Charges		985,988	944,852
Loss on Sale of Asset		-	105,564
Miscellaneous Expenses		4,994,955	3,727,739
		<b>9,426,779</b>	<b>5,776,842</b>

**Selling & Distribution Expense**

Freight & Cartage(Outward)	3,673,728	2,572,307
Other Selling Expenses	422,024	-
	<b>4,095,752</b>	<b>2,572,307</b>
<b>GRAND TOTAL</b>	<b>18,715,349</b>	<b>13,328,428</b>

24. Balances of Trade Receivable, Loans and Advances and Creditors, are subject to confirmation.

**25. Remuneration to Auditors:**

Particulars	2014-2015	2013-2014
	Rs.	Rs.
Audit Fees	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
	1,34,832	1,34,832

**26. Earnings Per Share (EPS):**

Particulars	2014-2015	2013-2014
	Rs.	Rs.
Net Profit available for Equity Shareholders (Numerator used for calculation)	14,01,770	14,23,151
Number of Equity Shares (Used as denominator for calculating EPS)	50,17,500	50,17,500
Basic and Diluted earnings per Share of Rs.10/- each	0.28	0.28

**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

**Key Management Personnel and their relative:**

Name	Designation
Mr. Faiz Ahmed	Executive Director
Mrs. Alka Agarwal	Chief Executive Officer
Miss Nikita Agarwal	Employee

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

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

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

Particulars	Enterprise over which Key Management Personnel have Significant Influence	Subsidiary Companies	Key Management Personnel and their Relatives
	Rs.	Rs.	Rs.
Sale of Finished Goods	-	1,56,66,597	-
	-	(1,19,85,853)	-
Remuneration	-	-	19,18,600
	-	-	(17,07,600)
Unsecured Loan			
Balance at the Beginning of the Year	50,75,000	-	-
	(53,75,000)	-	-

## Milestone Global Limited

Amount received during the Year	9,00,000	-	-
	(3,00,000)	-	-
Closing Balance at the end of the Year	41,75,000	-	-
	(50,75,000)	-	-
Outstanding Receivables	-	85,40,125	-
	-	(96,72,650)	(5,60,000)

**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 Rs. 1,00,05,105/- as on 31.03.2015 (Previous Year Rs. 70, 81,734/-). 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.** 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.
- 30.** Actuarial; valuation of leave encashment has not been carried out as company has paid leave earned up to 31-03-2015.
- 31.** The useful life of Fixed Assets has been revised in accordance with Schedule II of the Companies Act, 2013. The depreciation for the year is lower by Rs. 12.42 lacs due to change in useful life of Fixed Assets. The Assets whose useful life is already exhausted as on 01.04.2014 depreciation amounting to Rs. 51.23 lacs has been adjusted to General Reserve.

### 32. CONTINGENT LIABILITIES:

Particulars	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
	Rs. Amount	Rs. Amount
In respect of Claims (Including Claims made by Employees) not acknowledged as Debts	Indeterminate	Indeterminate

### 33. 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 Rupees)

	PARTICULARS	U.S.A.	EUROPE	NEW ZEALAND	INDIA	TOTAL
<b>I</b>	<b>SEGMENT REVENUE :</b>					
	External Sales	5,75,65,472	1,37,88,304	18,78,293		7,32,32,069
		(5,83,49,010)	(1,01,71,547)	(18,14,306)		(7,03,34,863)
	Inter-segment sales		-	-		-
	<b>TOTAL REVENUE</b>	<b>5,75,65,472</b>	<b>1,37,88,304</b>	<b>18,78,293</b>		<b>7,32,32,069</b>
		(5,83,49,010)	(1,01,71,547)	(18,14,306)		(7,03,34,863)
<b>II</b>	<b>SEGMENT EXPENSES</b>	<b>19,50,537</b>	<b>15,87,179</b>	<b>1,36,012</b>		<b>36,73,728</b>
		(15,24,141)	(9,03,356)	(1,44,810)		(25,72,307)
<b>III</b>	<b>SEGMENT RESULTS</b>	<b>5,56,14,935</b>	<b>1,22,01,125</b>	<b>17,42,281</b>		<b>6,95,58,341</b>
		(5,68,24,869)	(92,68,191)	(16,69,496)		(6,77,62,556)
	Common Expenses	-	-	-		<b>6,86,03,395</b>
		-	-	-		(6,74,93,962)

	Common Income	-	-	-	-	<b>3,08,123</b> (12,80,845)
<b>IV</b>	<b>NET PROFIT/(LOSS) BEFORE TAX</b>	-	-	-	-	<b>12,63,069</b> (15,49,440)
	Provision for Taxation :					
	Current Tax	-	-	-	-	<b>1,71,042</b> (3,00,000)
	Deferred Tax	-	-	-	-	<b>3,09,743</b> (1,73,711)
	<b>PROFIT/(LOSS) AFTER TAX</b>	-	-	-	-	<b>14,01,770</b> (14,23,151)
<b>V</b>	<b>SEGMENT ASSETS (Trade Receivables)</b>	<b>1,37,19,824</b> (1,22,59,733)	<b>27,99,402</b> (14,92,606)	-	-	<b>1,65,19,226</b> (1,84,80,498)
	Common Assets	-	-	-	-	<b>9,09,06,846</b> (8,82,91,749)
	Total Assets	-	-	-	-	<b>10,74,26,072</b> (10,67,72,247)
<b>VI</b>	<b>SEGMENT LIABILITIES</b>					
	Common Liabilities	-	-	-	-	-
	Total Liabilities	-	-	-	-	<b>3,31,02,583</b> (10,67,72,247)
<b>VII</b>	<b>CAPITAL EXPENDITURE</b>	-	-	-	-	-
<b>VIII</b>	<b>DEPRECIATION</b>	-	-	-	-	<b>31,16,597</b> (44,86,157)
<b>IX</b>	<b>OTHER NON-CASH EXPENDITURE</b>	-	-	-	-	-

Note: Figures in Brackets are in respect of Previous Year

<b>Particulars</b>	<b>(Rupees in Lacs)</b>	
	<b>2014-2015</b>	<b>2013-2014</b>
<b>34. Value of Imports on CIF Basis:</b>		
Raw Materials	41.80	41.10
Components and Spare Parts	10.62	10.87
<b>35. Expenditure in Foreign Currency</b>	-	
<b>36. Earnings in Foreign Exchange</b>		
Export of Goods calculated on <b>FOB</b> Basis	716.63	696.04
<b>37. Value of Raw Materials, Stores &amp; Spare Parts Etc. Consumed</b>		
	<b>(Rupees in Lacs)</b>	
	<b>2014-2015</b>	<b>2013-2014</b>
<b>a) Raw Materials</b>		
<b>i) Imported Value</b>	41.80	41.10
% of Total Consumption	13.65%	12.30%



## Milestone Global Limited

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<b>ii)</b> Indigenous Value	264.45	293.13
% of Total Consumption	86.35%	87.70%
<b>b) Stores and Spare Parts, etc. (Including Packing Materials)</b>		
<b>i)</b> Imported Value	10.62	7.49
% of Total Consumption	13.66%	12.51%
<b>ii)</b> Indigenous Value	67.13	52.36
% of Total Consumption	86.34%	83.76%

**38.** 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/-  
**P.P. SINGH**  
( Partner )

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

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

**Place: Hoskote  
Date: 29.05.2015**

**MILESTONE GLOBAL LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

PARTICULARS	Amount in Rs.	
	2014-15	2013-14
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit /(Loss) before Tax	1,263,069	1,549,440
<b>ADJUSTMENT FOR</b>		
Depreciation	3,116,597	4,486,157
Interest Received	(279,712)	(203,792)
interest Paid	2,800,317	2,512,216
(Profit)/Loss on sale of Fixed Assets (Net)	-	105,564
Exchange (Gain)/Loss	779,510	(1,075,731)
	<b>6,416,712</b>	<b>(1,075,731)</b>
<b>Operating Profit before working capital changes</b>	<b>7,679,781</b>	<b>7,373,854</b>
(Increase)/Decrease in Trade Receivables	1,961,272	(5,263,844)
(Increase)/Decrease in Inventories	(1,717,385)	1,677,000
(Increase)/Decrease in Loans and Advances	(5,462,281)	6,352,493
Increase/(Decrease) in Current liabilities	(22,012)	(465,512)
	<b>(5,240,406)</b>	<b>(465,512)</b>
Cash Generated from Operations	2,439,375	9,673,991
Income Tax Paid(Net)	(369,127)	(284,923)
<b>Net cash generated from/(used in) operating activities [ A ]</b>	<b>2,070,248</b>	<b>9,389,068</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES(B)</b>		
Purchase of fixed assets	(1,730,565)	(4,874,515)
Sale of fixed assets	-	290,000
Interest Received	279,712	203,792
Advance to Related Party	1,132,501	(2,837,064)
	<b>(318,352)</b>	<b>(7,217,787)</b>
<b>Net cash used in Investing Activity [ B ]</b>	<b>(318,352)</b>	<b>(7,217,787)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Exchange Gain/(Loss)	(779,510)	1,075,731
Export Credit Borrowings	4,633,501	(1,869,741)
Recovery of Loan from Related Party	900,000	300,000
Vehicle Loan	(236,696)	640,436
Interest Paid	(2,800,317)	(2,512,216)
	<b>1,716,978</b>	<b>(2,365,790)</b>
<b>Net Cash generated from/(used in) Financing Activities [ C ]</b>	<b>1,716,978</b>	<b>(2,365,790)</b>
<b>Net Decrease in cash and cash equivalents (A+B+C)</b>	<b>3,468,874</b>	<b>(194,509)</b>
Cash and Cash Equivalent at the beginning of the year	1,801,417	1,995,926
<b>Cash and Cash Equivalent at the End of the year</b>	<b>5,270,291</b>	<b>1,801,417</b>

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

For and on Behalf of Board of Directors

Chartered Accountants

Sd/-  
P.P. SINGH  
( Partner )

Sd/-  
Alok Krishna Agarwal  
(Director)

Sd/-  
Fiaz Ahmed  
(Executive Director)

Place: Hoskote  
Date: 29.05.2015

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

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MILE STONE GLOBAL LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from

### material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Holding Company's preparation 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 whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

### Other Matters

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs225.53 lacs as at 31st March, 2015, total revenues of Rs 58.80 lacs and net cash flows amounting to Rs 1.98 lacs for

the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements

- 1 As required by the companies (Auditors Report) order 2015, (The order) issued by the Central Government of India in terms of Sub section (11) of section 143 of the Act, based on the comments in Auditors reports of the Holding Company we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said order to extent applicable. Subsidiary companies are incorporated out side India to which CARO 2015 is not applicable. Our reporting on the CARO 2015 includes only of holding company
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 none of the directors of the holding company is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - j. There were no pending litigation which would impact the financial position and the financial statements of the company as at March 31, 2015.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

Place: KANPUR  
Date: 29.05.2015

For P.L.TANDON & CO  
Chartered Accountants  
Registration Number: 000186C  
P.P. Singh  
(PARTNER)  
Membership Number: 072754

### ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT Re: MILESTONE GLOBAL LIMITED

**The Annexure referred to in our Independent Auditors' Report to the members of the Company on the consolidated financial statements for the year ended 31st March, 2015, We report that:**

Our reporting on the CARD includes only of holding company in respect of consolidated financial statements.

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,

ii. In respect of its Inventories:

(a) JAs 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.

not material.

iii. In respect of loans, secured or unsecured, granted by the Company to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013, according to the information and explanations given to us :

(a) The Company had granted interest free Unsecured Loans to one company.

(b) No terms and conditions for repayment of the loan are stipulated.

(c) There is no overdue amount of such loans.

observed any continuing failure to correct major weaknesses in internal control system of the Company.

the provisions the Companies (Auditor's Report) order, 2015, are not applicable to the company.

Companies Act, 2013 for the products of the company.

vii. 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, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess

and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income Tax/Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other Statutory dues were in arrear as at 31<sup>st</sup> March, 2015 for a period more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no dues of income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise duty, value added tax and cess which have not been deposited on account of any dispute.

(c) According to the information and explanations given to us there were no amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

viii. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks.

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.

In our opinion, the term loans have been applied for the purpose for which they were raised.

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: 29.05.2015

For P.L.TANDON & CO

Chartered Accountants

Registration Number: 000186C

P.P. Singh

(PARTNER)

Membership Number: 072754

## CONSOLIDATED BALANCE SHEET AS AT

	NOTE	AS AT 31.03.2015 Rs	AS AT 31.03.2014 Rs
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders Funds</b>			
Share Capital	2	50,175,000	50,175,000
Reserves and Surplus	3	11,668,617	18,663,224
		<b>61,843,617</b>	<b>68,838,224</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	403,740	640,436
		<b>403,740</b>	<b>640,436</b>
<b>Current Liabilities</b>			
Short Term Borrowings	5	28,987,245	24,353,744
Trade Payables	6	2,887,019	1,384,041
Other Current Liabilities	7	2,306,766	6,668,390
		<b>34,181,030</b>	<b>32,406,175</b>
	<b>TOTAL</b>	<b>96,428,387</b>	<b>101,884,835</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	8		
Tangible Assts		27,372,888	33,987,154
Capital Work In Progress		2,425,000	2,425,000
Deferred Tax Assets (Net)	9	2,121,243	1,811,500
Long-Term Loans and Advances	10	5,462,643	6,588,813
		<b>37,381,774</b>	<b>44,812,467</b>
<b>Current Assets</b>			
Current Investments			
Inventories	11	25,021,371	22,212,000
Trade Receivables	12	14,960,273	20,650,231
Cash and Cash Equivalents	13	9,793,356	6,422,946
Short Term Loans and Advances	14	9,271,612	7,787,189
		<b>59,046,612</b>	<b>57,072,366</b>
	<b>TOTAL</b>	<b>96,428,387</b>	<b>101,884,833</b>
<b>Significant Accounting Policies and Notes On Financial Statement</b>	1-29		

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

For and on Behalf of Board of Directors

Chartered Accountants

Sd/-  
P.P. SINGH  
( Partner )

Sd/-  
Alok Krishna Agarwal  
(Director)

Sd/-  
Fiaz Ahmed  
(Executive Director)

Place: Hoskote  
Date: 29.05.2015

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED

PARTICULARS	NOTE NO.	2014-15 Rs	2013-14 Rs
<b>REVENUE FROM OPERATIONS</b>			
Revenue From Operations	15	78,977,541	76,553,161
Other Income	16	388,336	203,792
<b>TOTAL REVENUE</b>		<b>79,365,877</b>	<b>76,756,953</b>
<b>EXPENSES</b>			
Cost Of Material Consumed	17	38,400,256	39,408,060
Changes In Inventories Of Finished Goods And Work-In-Progress	18	(780,385)	1,462,000
Employee Benefits Expenses	19	7,114,373	6,082,586
Finance Costs	20	2,800,317	2,512,216
Depreciation And Amortization Expense		3,222,099	4,665,187
Other Expenses	21	31,138,000	22,211,238
<b>TOTAL EXPENSES</b>		<b>81,894,660</b>	<b>76,341,287</b>
<b>Profit Before Tax</b>		<b>(2,528,783)</b>	<b>415,666</b>
<b>Tax Expense</b>			
Current Tax		(240,614)	(300,000)
Deferred Tax Credit		309,743	173,711
Mat Credit Entitlement		69,572	
<b>ROFIT/(LOSS) FOR THE YEAR</b>		<b>(2,390,082)</b>	<b>289,377</b>
Earning Per Equity Share Of Rs. 10 Each			
Basic		(0.48)	0.05
Diluted		(0.48)	0.05
<b>Significant Accounting Policies And Notes On Financial Statement</b>	<b>1-29</b>		

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

For and on Behalf of Board of Directors

Chartered Accountants

Sd/-  
P.P. SINGH  
( Partner )

Sd/-  
Alok Krishna Agarwal  
(Director)

Sd/-  
Fiaz Ahmed  
(Executive Director)

Place: Hoskote  
Date: 29.05.2015

## 1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

### PRINCIPLES OF CONSOLIDATION:

- A.** The consolidation of financial statements of the group have been prepared on the following basis:
- The consolidated financial statements of the group are prepared in accordance with Accounting standard – 21 “consolidated financial statements” issued by ICAI.
  - 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 .
  - 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.
- B.** The Subsidiary company considered in the consolidated financial statements is :

Name of the Company	Country of Incorporation	Holding as on 31 <sup>st</sup> March, 2015
Milestone Global (UK) Limited	United Kingdom	100%
Milestone Global (NZ) Limited	New Zealand	100%
Milestone Global (US) Limited	United States of America	100%

**C.** 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:

##### 2.1 Authorised

5,250,000 Equity Shares of Rs. 10 Each 52,500,000 52,500,000

##### 2.2 Issued,Subscribed and Fully Paid

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

	Number	
<b>Balance as on 01.04.2014</b>	<b>5,017,500</b>	-
<b>Balance as on 31.03.2015</b>	<b>5,017,500</b>	-

#### 3 Reserve & Surplus:

##### 3.1 Securities Premium Account

As Per Last Balancesheet 15,082,070 15,082,070

##### 3.2 Subsidy

As Per Last Balancesheet 1,346,000 1,346,000

##### 3.3 Surplus

As Per Last Balancesheet 3,299,015 3,009,638

Add:- Profit/(Loss) For The Year (2,390,083) 289,377

Less:-Adjustment during the year (5,122,738) -

[Refer Note No. 26] **(4,213,806) 3,299,015**

##### 3.4 Foreign Currency Translation Reserve

As Per Last Balance Sheet (1,063,861) (1,177,385)

Add:- Amount Adjusted During The Year 518,214 113,524

**(545,647) (1,063,861)**

#### **Grand Total**

**11,668,617 18,663,224**

#### 4 Long-Term Borrowings:

HDFC Bank Car Loan 403,740 640,436

(Secured By Hypothecation of Vehicle)

#### 5 Short-Term Borrowings:

##### Secured Loans From Banks

Export Credit Loans 28,987,245 24,353,744

(Secured By Hypothecation of Inventories and Export Receivable)



## Milestone Global Limited

<b>6 Trade Payables</b>		
Sundry Creditors	2,887,019	1,384,041
<b>7 Other Current Liabilities</b>		
Temporary Book Overdraft	148,219	672,037
Other Payables	1,599,563	2,499,933
VAT/GST Payable	558,984	3,496,420
	<b>2,306,766</b>	<b>6,668,390</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	767,123	665,100
Item under the Income Tax Act which will be allowed on Actual Payment	118,120	-
Unabsorbed Losses	1,236,000	1,146,400
	<b>2,121,243</b>	<b>1,811,500</b>
<b>10 Long Term Loans and Advances:</b>		
(Unsecured Considered Good Unless Otherwise Stated)		
Security Deposits	1,287,643	1,513,813
Loan and Advances To Related Parties	4,175,000	5,075,000
	<b>5,462,643</b>	<b>6,588,813</b>
<b>11 Inventories:</b>		
<b>(Stock As Valued and Certified By Management)</b>		
Raw Materials	10,397,000	9,120,000
Work In Progress	10,525,385	9,760,000
Finished Goods	2,051,986	945,000
Store & Spares	2,047,000	2,387,000
	<b>25,021,371</b>	<b>22,212,000</b>
<b>12 Trade Receivables:</b>		
<b>(Unsecured Considered Good Unless Otherwise Stated)</b>		
Over Six Months	1,240,449	4,068,665
Others	13,719,824	16,581,566
	<b>14,960,273</b>	<b>20,650,231</b>
<b>13 Cash &amp; Cash Equivalents :</b>		
<b>Balance With Banks</b>		
In Fixed Deposits (Pledged With Bank )	3,043,879	334,323
In Current Accounts:	4,261,854	3,547,729
<b>Cash On Hand</b>	2,487,623	2,540,894
	<b>9,793,356</b>	<b>6,422,946</b>
<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	194,684	1,773,409
Advance to Suppliers and others	5,128,798	-
Service Tax Recoverable	1,702,846	1,478,665
Commercial Tax Recoverable	1,709,007	1,438,711
Advance Income Tax & Tax Deducted At Source (Net of Provision)	262,671	64,586
Prepaid Expenses	215,818	150,645
Input Tax	-	2,818,744
Rental Deposit	57,788	62,429
	<b>9,271,612</b>	<b>7,787,189</b>

NOTE NO.8

ANNEXURE OF FIXED ASSETS AS ON 31.03.2015

Sl. No.	Fixed Assets	Description	Gross Block				Depreciation				Net Block				
			As at 01.04.14 the year	Addition During the year	Deduction During	As at 31.03.15	As at 01.04.14	Adjce ment	For The Year	As at 31.03.15	WDV as at 31.03.15	WDV as at 31.03.14			
1	FREEHOLD LAND	Land	1,213,103	-	-	1,213,103	-	-	-	-	-	-	1,213,103	1,213,103	998,710
2	GODOWN BUILDING	Non Factory Building	1,430,910	-	-	1,430,910	432,200	49,415	16,880	498,495	932,415	5,269,603	9,171,804	3,330,362	-
3	FACTORY BUILDING	Factory Building Office Building Temporary Const.	25,571,452 5,429,175 525,518	- - -	- - -	25,571,452 5,429,175 525,518	16,399,648 2,098,813 525,518	3,595,523	65,112	20,301,849 2,163,925 525,518	5,269,603 3,265,250 -	8,534,853	12,502,166	15,765,673	-
4	PLANT AND EQUIPMENTS	Total Plant/Machinery	31,526,145 100,960,062	- 1,512,566	- -	31,526,145 102,472,628	19,023,979 85,194,902	3,595,523	1,747,798	22,991,292 89,042,757	8,534,853	13,429,871	15,765,673	-	-
5	FURNITURE AND FIXTURE	Furniture & Fixtures Furniture & Fixtures & Equipments (UK)	6,139,955 203,759	92,000 -	- -	6,231,955 203,759	4,658,357 153,292	108,433	294,947 11,039	5,061,737 164,331	1,170,218 39,428	1,209,646	1,481,598	50,467	-
6	VEHICLES (CARS)	Total Vehicles Vehicles (UK)	6,343,714 3,029,446 1,099,411	92,000 -	- -	6,435,714 3,029,446 1,099,411	4,811,649 1,629,984 916,466	108,433	305,986	5,226,068 1,462,687 1,005,356	1,209,646	1,566,759	1,399,462	182,945	-
7	OFFICE EQUIPMENTS	Total Office Equipment (US)	4,128,857 11,393	- -	- -	4,128,857 11,393	2,546,540 1,887	(429,683)	351,276	2,468,043 2,522	1,660,814	8,871	9,506	-	-
8	COMPUTER	Computers Computer System (US)	2,172,017 37,786	125,999 -	- -	2,298,016 37,786	1,807,285 18,990	51,249	70,024	1,928,558 23,927	369,458	13,859	364,732	18,796	-
	TOTAL	Total	2,209,830	125,999	-	2,335,802	1,826,275	51,249	74,961	1,952,485	383,317	27,372,888	33,987,156	24,25,000	-
	CAPITAL WORK IN PROGRESS	-	-	-	-	-	-	-	-	-	-	-	24,25,000	29,797,888	36,412,156
	GRAND TOTAL		147,823,987	1,730,565	-	149,554,552	113,836,829	5,122,735	3,222,099	122,181,663	29,797,888	36,412,156	36,598,394	-	-
	PREVIOUS YEAR		147,167,368	2,449,515	1,792,896	147,823,987	110,568,974	1,397,332	4,665,187	113,836,829	36,412,156	36,598,394	-	-	-

# Milestone Global Limited

<b>15 REVENUE FROM OPERATIONS</b>		
Sale Of Granite	78,872,651	75,476,108
<b>Other Operating Revenues</b>		
Exchange Gain	104,890	1,075,730
Miscellaneous Income	-	1,323
	<b>78,977,541</b>	<b>76,553,161</b>
<b>16 OTHER INCOME:</b>		
Interest Income	279,712	203,792
Income Tax Refund	8,227	-
Other Income	100,397	-
	<b>388,336</b>	<b>203,792</b>
<b>17 COST OF MATERIALS CONSUMED</b>		
Name Of Materials		
Stone	30,625,444	33,423,354
Others	7,774,812	5,984,706
	<b>38,400,256</b>	<b>39,408,060</b>
<b>18 CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
<b>Stock At Commencement</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>Stock At Close</b>		
Finished Goods	960,000	945,000
Goods In Process	10,525,385	9,760,000
	<b>11,485,385</b>	<b>10,705,000</b>
<b>GRAND TOTAL</b>	<b>(780,385)</b>	<b>1,462,000</b>
<b>19 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries And Wages	6,964,591	6,051,818
Contribution To Provident And Other Funds	19,795	10,644
Staff Welfare Expenses	129,987	20,124
	<b>7,114,373</b>	<b>6,082,586</b>
<b>20 FINANCIAL COSTS:</b>		
<b>Interest Expense</b>		
Interest Expense	2,800,317	2,512,216
<b>DEPRECIATION AND AMORTZATION EXPENSE:</b>		
Depreciation	3,222,099	4,665,187
<b>21 OTHER EXPENSES:</b>		
<b>Manufacturing Expense :</b>		
Freight Inward	70,298	197,540
Power & Fuel	2,615,091	2,477,599
Repair To Machinery	1,419,535	1,110,236
Repair To Buildings	249,808	659,871
Manufacturing Expenditure - Other	2,910,616	2,786,821
Repair Others	908,384	731,573
	<b>8,173,732</b>	<b>7,963,640</b>
<b>Administrative Expense</b>		
Accounting Fees	76,863	-
Exchange Loss	1,528,604	499,476
Insurance	287,266	391,223
Sundry balances Written Back	(4,920)	-
Bank Charges	51,765	-
Professional & Consultancy Charges	1,120,278	1,131,825
Rates & Taxes	837,197	204,680
Rent	2,041,742	726,871
Bad Debts Written Off	-	653,175

Loss on Sale of Fixed Assets	-	105,564
Travelling and Accomodating Expenses	2,671,521	1,638,462
Miscellaneous Expenses	8,030,118	4,251,419
	<b>16,640,434</b>	<b>9,602,695</b>
<b>Selling &amp; Distribution Expense</b>		
Freight & Cartage(Outward)	5,901,810	4,644,903
Other Selling Expenses	422,024	-
	<b>6,323,834</b>	<b>4,644,903</b>
<b>GRAND TOTAL</b>	<b>31,138,000</b>	<b>22,211,238</b>

**22. Earnings Per Share (EPS):**

Particulars	2014-2015	2013-2014
	Rs.	Rs.
Net Profit available for Equity Shareholders (Numerator used for calculation)	-23,90,083	2,89,377
Number of Equity Shares (Used as denominator for calculating EPS)	50,17,500	50,17,500
Basic and Diluted earnings per Share of Rs.10/- each	(0.48)	0.05

**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:

Name	-	Designation
Mr. Faiz Ahmed	-	Executive Director
Mrs. Alka Agarwal	-	Chief Executive Officer
Miss Nikita Agarwal	-	Employee

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

Particulars	Key Management Personnel and their Relatives
	Rs.
Remuneration	19,18,600 (14,65,200)

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 :

	PARTICULARS	U.S.A.	EUROPE	NEW ZEALAND	INDIA	TOTAL
<b>I</b>	<b>SEGMENT REVENUE :</b>					
	External Sales	5,72,07,711 (5,83,49,010)	1,94,53,303 (1,49,73,545)	22,11,637 (21,53,553)		7,88,72,651 (7,54,76,108)
	Inter-segment sales	-	-	-		-
	<b>TOTAL REVENUE</b>	<b>5,72,07,711</b> (5,83,49,010)	<b>1,94,53,303</b> (1,49,73,545)	<b>22,11,637</b> (21,53,553)		<b>7,88,72,651</b> (7,54,76,108)
<b>II</b>	<b>SEGMENT EXPENSES</b>	<b>18,97,589</b> (15,48,116)	<b>34,24,786</b> (25,42,150)	<b>5,26,487</b> (5,54,637)		<b>58,48,862</b> (46,44,903)
<b>III</b>	<b>SEGMENT RESULTS</b>	<b>5,53,10,122</b> (5,68,00,894)	<b>1,60,28,517</b> (1,24,31,395)	<b>16,85,150</b> (15,98,916)		<b>7,30,23,789</b> (7,08,31,205)
	Common Expenses	-	-	-		<b>7,60,45,798</b> (7,16,96,384)
	Common Income	-	-	-		<b>4,93,226</b> (12,80,845)

# Milestone Global Limited

<b>IV</b>	<b>NET PROFIT/(LOSS) BEFORE TAX</b>	-	-	-	-	<b>-25,28,783</b>
						(4,15,666)
	Provision for Taxation :					
	Current Tax	-	-	-	-	<b>1,71,042</b>
						(3,00,000)
	Deferred Tax	-	-	-	-	<b>3,09,743</b>
						(1,73,711)
	<b>PROFIT/(LOSS) AFTER TAX</b>	-	-	-	-	<b>-23,90,082</b>
						(2,89,377)
<b>V</b>	<b>SEGMENT ASSETS(Trade Receivables)</b>	-	<b>12,40,449</b>		<b>1,37,19,824</b>	<b>1,49,60,273</b>
		(1,22,78,613)	(36,43,459)	-	(47,28,159)	(2,06,50,231)
	Common Assets	-	-	-	-	<b>8,14,68,114</b>
						(8,12,34,604)
	Total Assets	-	-	-	-	<b>9,64,28,387</b>
						(10,18,84,835)
<b>VI</b>	<b>SEGMENT LIABILITIES</b>	<b>0</b>	<b>9,76,725</b>	<b>5,05,461</b>	<b>3,31,02,584</b>	<b>3,45,84,770</b>
		(15,328)	(36,15,802)	(6,87,932)	(2,80,87,113)	(3,24,06,175)
	Common Liabilities	-	-	-	-	-
						(6,94,78,660)
	Total Liabilities	-	-	-	-	<b>3,45,84,770</b>
						(10,18,84,835)
<b>VII</b>	<b>CAPITAL EXPENDITURE</b>	-	-	-	-	-
						-
<b>VIII</b>	<b>DEPRECIATION</b>	-	-	-	-	<b>32,22,099</b>
						(46,65,187)
<b>IX</b>	<b>OTHER NON-CASH EXPENDITURE</b>	-	-	-	-	-

Note: Figures in Brackets are in respect of Previous Year

## 25. CONTINGENT LIABILITIES:

### Particulars

As at 31<sup>st</sup> March, 2015  
Rs.

As at 31<sup>st</sup> March, 2014  
Rs.

In respect of Claims (Including Claims made by Employees) not acknowledged as Debts

Amount Indeterminate

Amount Indeterminate

26. The useful life of Fixed Assets has been revised in accordance with Schedule II of the Companies Act, 2013. The depreciation for the year is lower by Rs. 12.42 lacs due to change in useful life of Fixed Assets. The Assets whose useful life is already exhausted as on 01.04.2014 depreciation amounting to Rs. 51.23 lacs has been adjusted to General Reserve.

29. 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/-

P.P. SINGH  
( Partner )

Sd/-

Alok Krishna Agarwal  
(Director)

Sd/-

Fiaz Ahmed  
(Executive Director)

Place: Hoskote  
Date: 29.05.2015

**Note 27 :- Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ associates / Joint Ventures**

Name of Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of consolidated Net Assets	Amount in Rs	As % of consolidated	Amount in Rs
<b>Parent</b> Milestone Global Limited (India)	109.10%	67,471,826.00	256.37%	1,347,172.00
<b>Subsidiaries</b>				
<b>Foreign</b>				
1. Milestone Global (UK) Limited (United Kingdom)	-3.50%	(2,166,683.00)	-133.37%	(3,187,598.00)
2. Milestone Global (NZ) Limited	-4.10%	(2,535,001.00)	-9.41%	(224,860.00)
3. Milestone Global (US) Inc. (USA)	-1.50%	(926,525.00)	-13.59%	(324,796.00)
<b>TOTAL</b>	<b>100%</b>	<b>61,843,617.00</b>	<b>100%</b>	<b>(2,390,082.00)</b>

**Note 28 :- Salient Features of Financial Statements of Subsidiaries as per Companies Act, 2013**

Amount in Rs.

Sr. No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turover/ Total Income	Profit Before taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Share holding
1	Milestone Global (UK) Ltd.,	GBP	8,074,546	(9,314,663)	7,196,102	8,436,220	-	5,381,211	(3,187,598)	-	(3,187,598)	-	100%
2	Milestone Global (NZ) Ltd.,	NZD	4,667	(2,537,895)	15,125,228	17,658,457	-	483,435	(224,860)	-	(224,860)	-	100%
3	Milestone Global (US) Inc	USD	-	(926,525)	231,727	1,158,252	-	15,638	(324,796)	-	(324,796)	-	100%

\* Exchange rate Adopted for Conversion NZD 1 = Rs. 46.66997 USD 1 = Rs. 61.1471 GBP 1 = Rs. 92.4591

# Milestone Global Limited

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED

PARTICULARS	Amount in Rs.	
	2014-15	2013-14
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit /(Loss) before tax	(2,528,783)	415,666
<b>ADJUSTMENT FOR</b>		
Depreciation	3,222,099	4,665,187
Interest Received	(279,712)	(203,792)
Interest Paid	2,800,317	2,512,216
Unrealised Profit		
Foreign Currency Translation Reserve	518,214	113,524
Loss on sale of Fixed Assets	-	105,564
Exchange (Gain)/Loss	1,423,714	(576,254)
<b>Operating Profit before working capital changes</b>	<b>5,155,849</b>	<b>7,032,111</b>
(Increase)/Decrease in Sundry Debtors	5,689,958	(4,665,384)
(Increase)/Decrease in Inventories	(2,809,371)	1,826,023
(Increase)/Decrease in Loans and advances	(1,060,177)	4,809,891
(Increase)/Decrease in related party	-	-
Increase/(Decrease) in Trade payables & Other Current liabilities	(2,858,646)	150,936
<b>Cash Generated from/(used in) Operations</b>	<b>4,117,613</b>	<b>9,153,577</b>
Income Tax Paid(Net)	(369,127)	(284,923)
<b>Net cash generated from/(used in) operating activities [ A ]</b>	<b>3,748,486</b>	<b>8,868,654</b>
<b>B CASH USED IN INVESTING ACTIVITIES(B)</b>		
Purchase of fixed assets	(1,730,565)	(4,874,515)
Sale of Fixed Assets	-	290,000
Interest Received	279,712	203,792
<b>Net cash generated from/(used in) Investing Activity [ B ]</b>	<b>(1,450,853)</b>	<b>(4,380,723)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of Vehicle Loan		640,436
Repayment of term Loan	(236,696)	
Recovery of loan	900,000	300,000
Exchange Gain	(1,423,714)	576,254
Proceeds/(Repayment) of Export Credit Account	4,633,501	(1,869,741)
Interest Paid	(2,800,317)	(2,512,216)
<b>Net Cash generated from/(used in) Financing Activities [ C ]</b>	<b>1,072,774</b>	<b>(2,865,267)</b>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	<b>3,370,407</b>	<b>1,622,664</b>
Cash and Cash Equivalent at the beginning of the year	6,422,946	4,800,282
<b>Cash and Cash Equivalent at the End of the year</b>	<b>9,793,353</b>	<b>6,422,946</b>

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

For and on Behalf of Board of Directors

Chartered Accountants

Sd/-  
P.P. SINGH  
( Partner )

Sd/-  
Alok Krishna Agarwal  
(Director)

Sd/-  
Fiaz Ahmed  
(Executive Director)

Place: Hoskote  
Date: 29.05.2015