Milestone Group

# MILESTONE FURNITURE LIMITED

# 12th Annual Report

## 2025–2026

For the financial year ended 31 March 2026

**12TH ANNUAL GENERAL MEETING**

Saturday, 21 November 2026

12:30 p.m. IST

Through Video Conferencing / Other Audio Visual Means

Milestone Group

# MILESTONE FURNITURE LIMITED

**Date: 30.10.2026**

To,
**BSE Limited**
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

**Sub: Notice of 12th Annual General Meeting along with Annual Report for F.Y. 2025-26 (BSE SCRIP CODE: 541337)**

Dear Sir / Madam,

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Annual Report for the F.Y. 2025-26 along with the Notice of the 12th Annual General Meeting ("AGM") of the Company scheduled to be held on **Saturday, 21st November, 2026 at 12:30 P.M. (IST)** through Video Conferencing / Other Audio-Visual Means (VC/OAVM), to transact the business as set out in the Notice.

The AGM is being convened within the extended time granted by the Registrar of Companies, Mumbai-I, under Section 96(1) of the Companies Act, 2013, vide order dated 19th September, 2026. The Company has fixed **Saturday, 14th November, 2026** as the cut-off date for determining the eligibility of Members to vote. The remote e-voting period commences on **Wednesday, 18th November, 2026 at 9:00 A.M.** and ends on **Friday, 20th November, 2026 at 5:00 P.M.** The Notice and the Annual Report are also available on the website of the Company at www.milestonefurniture.in

This is for your kind information and record purpose.

Thanking You,

**For Milestone Furniture Limited**




**Akshay Sharma**
**Director**
**DIN: 10701657**

**Place: Chandigarh**

Encl.: As above

CIN: **L36912MH2014PLC254131**
**Regd. Office: LEVEL 4, DYNASTY BUSINESS PARK, A WING, ANDHERI-KURLA ROAD, J.B. NAGAR, MUMBAI, MAHARASHTRA, INDIA, 400059**
**Email ID. Director1@milestonefurniture.in, Ph. No. 9041009921**
**Website: www.milestonefurniture.in**

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# *MILESTONE FURNITURE LIMITED*

## CORPORATE INFORMATION

| | |
|---|---|
| **BOARD OF DIRECTORS** | 1. Mr. Akshay Sharma<br>DIN: 10701657<br>**(Non-Executive Director)**<br><br>2. Ms. Vaishali Balasaheb Jagtap<br>DIN: 10943315<br>**(Additional Director – Non-Executive, Non-Independent)** w.e.f. 18.08.2026<br><br>3. Mr. Akash Chugh<br>DIN: 11206510<br>**(Additional Director – Independent)** w.e.f. 18.08.2026 |
| **SECRETARIAL AUDITORS** | M/s. Arshiya Jain & Associates |
| **STATUTORY AUDITORS** | M/s. Gupta Rajesh & Associates |
| **REGISTERED OFFICE** | Level 4, DYNASTY Business Park, A Wing, Andheri-Kurla Road, J.B. Nagar, Mumbai, Maharashtra, India – 400 059 |
| **REGISTRAR & SHARE TRANSFER AGENT (RTA)** | Skyline Financial Services Private Limited |
| **STOCK EXCHANGE (SCRIP CODE)** | BSE SME (541337) |
| **ISIN** | INE424Z01011 |
| **CIN** | L36912MH2014PLC254131 |
| **E-MAIL / WEBSITE** | director1@milestonefurniture.in / www.milestonefurniture.in |

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# MILESTONE FURNITURE LIMITED

## NOTICE OF 12TH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **Twelfth (12th) Annual General Meeting** of the Members of **Milestone Furniture Limited** ("the Company") will be held on **Saturday, the 21st day of November, 2026 at 12:30 P.M. (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue, to transact the following businesses:

The Meeting is being convened within the extended time granted by the Registrar of Companies, Mumbai-I, under the second proviso to Section 96(1) of the Companies Act, 2013, vide order dated 19th September, 2026, whereby the time for holding the Annual General Meeting for the financial year ended 31st March, 2026 has been extended by one month and fifteen days. The proceedings of the Meeting shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of the Meeting.

**ORDINARY BUSINESSES:**

**ITEM NO. 1 – ADOPTION OF THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2026, together with the Reports of the Board of Directors and the Auditors thereon, and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31st March, 2026, comprising the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, together with the notes forming part thereof, and the Reports of the Board of Directors and the Statutory Auditors thereon, as laid before this Meeting, be and are hereby received, considered and adopted."

**ITEM NO. 2 – APPOINTMENT OF STATUTORY AUDITORS**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and on the recommendation of the Audit Committee and the Board of Directors, **M/s Gupta Rajesh & Associates, Chartered Accountants (Firm Registration No. 009888N)**, be and are hereby appointed as the Statutory Auditors of the Company for a term of five (5) consecutive years, to hold office from the conclusion of this Twelfth 12th Annual General Meeting until the conclusion of the [Seventeenth] 17th Annual General Meeting of the Company to be held in the year 2031, at a remuneration plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the audit, and such remuneration for the subsequent years of their term as may be determined by the Board of Directors on the recommendation of the Audit Committee.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things, and to file Form ADT-1 and such other forms, as may be necessary, proper or expedient to give effect to this resolution."

**SPECIAL BUSINESSES:**

**ITEM NO. 3 – INCREASE IN AUTHORISED SHARE CAPITAL AND CONSEQUENTIAL ALTERATIONS**

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

**"RESOLVED THAT** pursuant to Sections 13, 61(1)(a), 64 and other applicable provisions of the Companies Act 2013 and the rules made thereunder, and subject to the enabling power in the Articles of Association, the consent of the Members be and is hereby accorded to increase the authorised share capital of the Company from ₹10,00,00,000 (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) equity shares of ₹10 each to ₹50,00,00,000 (Rupees Fifty Crore only) divided into 5,00,00,000 (Five Crore) equity shares of ₹10 each, the new shares to rank pari passu with the existing equity shares.

**RESOLVED FURTHER THAT** Clause V of the Memorandum of Association of the Company be and is hereby substituted with the following:

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall include any duly constituted Committee thereof) and the Company Secretary be and are hereby severally authorised to file Form SH-7 (and Form MGT-14 for the alteration of the Articles, if applicable), pay the applicable fees and stamp duty, update the statutory records and do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution."

**ITEM NO. 4 – REGULARISATION OF MS VAISHALI BALASAHEB JAGTAP AS A NON-EXECUTIVE, NON-INDEPENDENT DIRECTOR**

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

**"RESOLVED THAT** pursuant to Sections 149, 152, 161(1) and other applicable provisions of the Companies Act 2013, the Companies (Appointment and Qualification of Directors) Rules 2014, and Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Ms Vaishali Balasaheb Jagtap (DIN 10943315), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 18 August 2026 and who, in terms of Section 161(1), holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received the requisite consent and declarations under Rule 8 of the said Rules and Section 152, be and is hereby appointed as a Non-Executive, Non-Independent Director of the Company, liable to retire by rotation."

**ITEM NO. 5 – APPOINTMENT OF MR AKASH CHUGH AS AN INDEPENDENT DIRECTOR**

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

**"RESOLVED THAT** pursuant to Sections 149, 150, 152, 161(1) and Schedule IV and other applicable provisions of the Companies Act 2013, the Companies (Appointment and Qualification of Directors) Rules 2014, and Regulations 16(1)(b), 17(1C) and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr Akash Chugh (DIN 11206510) — who was appointed by the Board of Directors as an Additional Director (Non-Executive, Independent) of the Company with effect from 18 August 2026, who holds office as such only up to the date of this Annual General Meeting under Section 161(1), and who has submitted a declaration to the Company that he meets the criteria of independence set out in Section 149(6) of the Companies Act 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations 2015 — be and is hereby appointed as an Independent Director of the Company, to hold office for a first term of five (5) consecutive years commencing 18 August 2026 and expiring on 17 August 2031, not liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr Akash Chugh shall be entitled to sitting fees for attending meetings of the Board and its Committees and to reimbursement of expenses, within the limits permitted under Section 197 of the Companies Act 2013 and the

Rules made thereunder."

**ITEM NO. 6 – APPROVAL OF THE MILESTONE FURNITURE EMPLOYEE STOCK OPTION SCHEME 2026 AND GRANT OF OPTIONS THEREUNDER, INCLUDING TO EMPLOYEES OF GROUP COMPANIES AND IDENTIFIED EMPLOYEES**

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

**"RESOLVED THAT** pursuant to Section 62(1)(b) and other applicable provisions of the Companies Act 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules 2014, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021 ("SBEB Regulations") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and subject to the increase in authorised share capital under Item 3 and to the approval of BSE Limited, the consent of the Members be and is hereby accorded to introduce and implement the "Milestone Furniture Employee Stock Option Scheme 2026" ("Scheme") and to create, offer and grant, in one or more tranches, options ("Options") not exceeding 70,00,000 (Seventy Lakhs) in aggregate to the eligible permanent employees and eligible Directors of the Company, each Option conferring on the grantee a right (but not an obligation) to apply for one fully paid-up equity share of ₹10 each of the Company at such exercise price and on such terms as the Nomination and Remuneration Committee, acting as the Compensation Committee, may determine.

**RESOLVED FURTHER THAT** pursuant to Section 62(1)(b) of the Companies Act 2013, Rule 12(4) of the Companies (Share Capital and Debentures) Rules 2014 and Regulation 6(3)(c) of the SBEB Regulations, the consent of the Members be and is hereby accorded to extend the benefits of the Scheme to the eligible permanent employees and Directors of the present and future holding, subsidiary and associate company(ies) of the Company, if any, on the same terms and conditions as are applicable under the Scheme and within the overall ceiling of Options approved hereunder.

**RESOLVED FURTHER THAT** pursuant to Section 62(1)(b) of the Companies Act 2013, Rule 12(4) of the Companies (Share Capital and Debentures) Rules 2014 and Regulation 6(3)(d) of the SBEB Regulations, the consent of the Members be and is hereby accorded to grant, during any one year, to the identified employee(s), Options entitling such employee(s) to equity shares equal to or exceeding one percent (1%) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant, within the overall ceiling of Options approved hereunder.

**RESOLVED FURTHER THAT** the total number of equity shares issuable under the Scheme shall not exceed 70,00,000 (Seventy Lakhs) equity shares, being not more than 28.08% of the issued and paid-up equity capital as on the date of grant, subject to appropriate adjustments in the event of corporate actions.

**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee (acting as the Compensation Committee under the SBEB Regulations) be and is hereby authorised to administer and implement the Scheme, to determine eligibility, the exercise price (which shall not be less than the face value), the vesting schedule (which shall have a minimum vesting period of one year), the exercise period and all related terms and conditions; and that the equity shares issued upon exercise of the Options shall rank pari passu with the existing equity shares and shall be listed on BSE Limited**.**

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall include the Nomination and Remuneration Committee or any other duly constituted Committee thereof) be and is hereby authorised to make such modifications, changes, variations or alterations to the Scheme as it may deem fit, provided the same are not prejudicial to the interests of the grantees and are in conformity with the SBEB Regulations, and to do all such acts, deeds, matters and things, including making applications to BSE Limited and filings with the Registrar of Companies, as may be necessary, proper or expedient to give effect to this resolution."

**ITEM NO. 7 – ISSUE AND ALLOTMENT OF EQUITY SHARES UPON CONVERSION OF DEBT, LOANS AND**

**SECURITIES**

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

**ISSUE AND ALLOTMENT OF EQUITY SHARES UPON CONVERSION OF DEBT, LOANS AND SECURITIES**

**"RESOLVED THAT** pursuant to Sections 42, 62(1)(c), 62(3), to the extent applicable, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable law, and subject to the increase in authorised share capital under Item 3 and the in-principle approval of BSE Limited, the consent of the Members be and is hereby accorded to issue and allot, on a preferential basis, in dematerialised form up to 86,39,364 (Eighty-Six Lakh Thirty-Nine Thousand Three Hundred Sixty-Four) fully paid-up equity shares of ₹10 (Rupees Ten) each at an issue price of ₹28.42 (Rupees Twenty-Eight and Forty-Two Paise) per equity share, including a premium of ₹18.42 per equity share, being not less than the price determined under Regulation 164 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), to the holders of the secured, unlisted, 12% Optionally Convertible Debentures ("OCDs") of ₹10,000 each and to the lenders and creditors identified in the certified allottee-wise schedule/list, by way of conversion of the said OCDs in accordance with their terms and conversion and full or partial discharge of unsecured loans and other obligations outstanding as on 28 October 2026, accrued and payable interest on the OCDs, if any, and other outstanding financial obligations, with the amounts converted standing discharged to the extent of the consideration for the shares allotted and the aggregate nominal value of the shares issued remaining within the available authorised share capital; the relevant date under Regulation 161 of the ICDR Regulations being 21 October 2026, subject to verification against the date of this Annual General Meeting, and the issue price being subject to confirmation of compliance with Regulation 164 based on the applicable trading data.

**RESOLVED FURTHER THAT** pursuant to Section 62(3) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, the consent of the Members be and is hereby accorded to approve, before the raising of the relevant loans or issue of the relevant debentures, conversion options forming part of the terms of such future loans or debentures from banks, financial institutions, bodies corporate or other lenders, within the overall limit and on the terms, permitting conversion of the whole or any part thereof, together with interest thereon, into fully paid-up equity shares at a price and on terms determined in accordance with applicable law; all equity shares issued pursuant to this resolution shall rank pari passu with the existing equity shares, shall be subject to the applicable lock-in requirements under Chapter V of the ICDR Regulations, wherever applicable, and shall be listed on BSE Limited, subject to requisite approvals, and any fractional entitlements shall be dealt with in accordance with the relevant Debt, loan or arrangement terms without issuing fractional shares."

**RESOLVED FURTHER THAT** the Board of Directors (which term shall include any duly constituted Committee thereof) be and is hereby authorised to determine the exact allottee-wise number of equity shares in accordance with the said certified holder-wise schedule, to sign, execute and deliver all such documents (including PAS-4, PAS-5, PAS-3, MGT-14 and BSE listing forms), to file all such returns with the Registrar of Companies, BSE Limited and other authorities, to accept and comply with such non-material modifications, conditions or amendments as may be prescribed or required by such authorities, and to do all such acts, deeds, matters

and things as may be necessary, proper, expedient or desirable in this regard, without further reference to the Members."

**Reg. Office:**
Level 4, DYNASTY Business Park, A Wing,
Andheri-Kurla Road, J.B. Nagar,
Mumbai, Maharashtra – 400 059

Place: Mumbai
Date: 30th October,2026

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




**Akshay Sharma**
(Non-Executive Director)
DIN: 10701657

**NOTES:**

**Important dates at a glance:**

| Event | Date and time (IST) |
|---|---|
| Relevant Date under Regulation 161 of the ICDR Regulations (Item No. 7) | Thursday, 22nd October, 2026 |
| Cut-off date for determining eligibility to vote | Saturday, 14th November, 2026 |
| Last date for speaker registration / advance queries | Saturday, 14th November, 2026, 5:00 P.M. |
| Commencement of remote e-voting | Wednesday, 18th November, 2026, 9:00 A.M. |
| End of remote e-voting | Friday, 20th November, 2026, 5:00 P.M. |
| Twelfth Annual General Meeting (through VC/OAVM) | Saturday, 21st November, 2026, 12:30 P.M. |
| Declaration of results | Within two working days of conclusion of the AGM |

1. **Conduct of the AGM through VC/OAVM:** The Ministry of Corporate Affairs ("MCA"), vide General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and 20/2020 dated 5th May, 2020, and subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated 22nd September, 2025 (collectively, "MCA Circulars"), and the Securities and Exchange Board of India ("SEBI"), vide its Master Circular dated 11th November, 2024 and other applicable circulars (collectively, "SEBI Circulars"), have permitted the holding of the Annual General Meeting through VC/OAVM without the physical presence of the Members at a common venue. In compliance with the said Circulars, the provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations, the AGM of the Company is being held through VC/OAVM.

2. **Proxies:** Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM, and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

3. **Corporate Members:** Institutional and corporate Members (i.e., other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution / Authority Letter under Section 113 of the Act, authorizing their representative to attend the AGM through VC/OAVM and to vote on their behalf, to the Scrutinizer at navjeetkaur87543@gmail.com, with a copy marked to director1@milestonefurniture.in.

4. **Quorum:** Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. **Explanatory Statement:** The Statement pursuant to Section 102 of the Act, setting out the material facts concerning the businesses under Item Nos. 2 to 7, and the details of the Directors seeking appointment / re-appointment as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, are annexed hereto and form part of this Notice.

6. **Electronic dispatch:** In compliance with the MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report for the financial year 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Registrar and Share Transfer Agent ("RTA") / Depository Participants. In terms of Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where the complete Annual

Report is available is being sent to those Members who have not registered their e-mail addresses. The Notice and the Annual Report are also available on the website of the Company at www.milestonefurniture.in, on the website of BSE Limited at www.bseindia.com and on the website of NSDL at www.evoting.nsdl.com.

7. **Registration / updation of e-mail address:** Members holding shares in dematerialised form are requested to register / update their e-mail addresses and mobile numbers with their respective Depository Participants. Members holding shares in physical form may register the same with the RTA, Skyline Financial Services Private Limited, by furnishing the Folio No., name of the Member, a self-attested copy of PAN and Aadhaar, and a scanned copy of the share certificate (front and back).

8. **Cut-off date:** Only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e., **Saturday, 14th November, 2026**, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

9. **Remote e-voting:** Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and SS-2, the Company is pleased to provide its Members the facility to exercise their right to vote on the resolutions proposed to be passed at the AGM by electronic means through the e-voting platform of National Securities Depository Limited ("NSDL"). The remote e-voting period commences on **Wednesday, 18th November, 2026 at 9:00 A.M. (IST)** and ends on **Friday, 20th November, 2026 at 5:00 P.M. (IST)**, whereafter the remote e-voting module shall be disabled by NSDL. Once a vote on a resolution is cast, the Member shall not be allowed to change it subsequently.

10. **E-voting during the AGM:** Members who attend the AGM through VC/OAVM and have not cast their vote through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM. Members who have cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again.

11. **Persons becoming Members after dispatch:** Any person who acquires shares of the Company and becomes a Member after dispatch of this Notice and holds shares as on the cut-off date may obtain the login ID and password by sending a request to evoting@nsdl.com or to the RTA.

12. **Joining the AGM:** Members may attend the AGM through VC/OAVM via the NSDL e-voting system using their remote e-voting login credentials. The facility to join the Meeting shall open 30 minutes before the scheduled time of the Meeting and shall remain open until 15 minutes after such time, and shall be available to at least 1,000 Members on a first-come-first-served basis. This restriction shall not apply to large shareholders (holding 2% or more), Promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, and the Auditors.

13. **Speaker registration and queries:** Members who wish to express their views or ask questions during the AGM, or who seek information on the accounts or any other matter to be placed at the AGM, may register themselves as speakers by sending a request from their registered e-mail address, mentioning their name, DP ID and Client ID / Folio No. and mobile number, to director1@milestonefurniture.in on or before **Saturday, 14th November, 2026 (5:00 P.M. IST)**. Only registered speakers will be permitted to speak, and the Company reserves the right to restrict the number of speakers depending on the availability of time.

14. **Inspection of documents:** The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act, the certificate of the Practising Company Secretary under Regulation 163(2) of the ICDR Regulations, the certificate under Regulation 13 of the SBEB Regulations, the statement of loans and other financial obligations proposed to be converted under Item No. 7 together with the consents of the respective lenders / creditors, and all other documents referred to

in this Notice shall be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of the AGM. Members seeking to inspect such documents may send a request to director1@milestonefurniture.in

15. **Scrutinizer:** The Board of Directors has appointed Ms Navjeet Kaur, Advocate (Enrolment No. HIM/699/2025) as the Scrutinizer to scrutinise the remote e-voting process and the e-voting at the AGM in a fair and transparent manner.

16. **Declaration of results:** The Scrutinizer shall, after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting at the AGM, and shall submit a consolidated Scrutinizer's Report to the Chairperson or a person authorised by him/her within two working days of the conclusion of the AGM. The results declared, along with the Scrutinizer's Report, shall be placed on the website of the Company and of NSDL and shall be simultaneously communicated to BSE Limited. Subject to receipt of the requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM.

17. **Shareholder services:** Members are requested to keep their KYC details (PAN, nomination, contact details, bank account details and specimen signature) updated with their Depository Participants or the RTA, as the case may be. Members holding shares in physical form are advised to dematerialize their holdings. Members may also use the SEBI Online Dispute Resolution (SMART ODR) portal at https://smartodr.in for resolution of grievances.

18. **Helpdesk:** Members facing any technical issue in remote e-voting or in attending the AGM through VC/OAVM may contact NSDL at evoting@nsdl.com or on 022-4886 7000. The detailed instructions for remote e-voting, e-voting at the AGM and joining the AGM through VC/OAVM are set out in **Annexure C to this Notice**.

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

The following Statement sets out all material facts relating to the businesses mentioned under Item Nos. 2 to 7 of the accompanying Notice:

**ITEM NO. 2 – APPOINTMENT OF STATUTORY AUDITORS**

The existing Statutory Auditors, M/s Gupta Rajesh & Associates, Chartered Accountants ICAI Firm Registration No. 009888N were appointed at the 12th Annual General Meeting schedule to be held on 14th Day of November,2026 to hold office until the conclusion of this 17th Annual General Meeting. In compliance with the mandatory rotation provisions of Section 139(2) of the Companies Act 2013 and Rule 6 of the Companies (Audit and Auditors) Rules 2014 (if applicable), and on the recommendation of the Audit Committee and the Board of Directors, the Company proposes to re-appoint M/s Gupta Rajesh & Associates, Chartered Accountants ICAI Firm Registration No. 009888N as the Statutory Auditors of the Company for a term of five (5) consecutive years from the conclusion of this AGM until the conclusion of the 17th AGM.

The proposed Statutory Auditors have given their written consent under Section 139(1) and a certificate under Section 141 of the Companies Act 2013 confirming that (i) they are eligible for appointment and are not disqualified for appointment; (ii) the appointment, if made, would be within the limits laid down by or under the authority of the Companies Act 2013; and (iii) there are no proceedings pending against them or any of the partners with respect to professional matters of conduct.

Basis of recommendation (Regulation 36(5), LODR): the Audit Committee has recommended the appointment / re-appointment after evaluating (i) the audit firm's credentials, experience and independence; (ii) their sectoral expertise; and (iii) the proposed audit fees, which are comparable to peer-group fees for similar-sized listed companies. The details required under Regulation 36(5) are set out below:

Interest and concern: none of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution at Item No. 2, except to the extent of their respective shareholdings in the Company.

The Board recommends the Ordinary Resolution at Item No. 2 for the approval of the Members.

**ITEM NO. 3 – INCREASE IN AUTHORISED SHARE CAPITAL AND CONSEQUENTIAL ALTERATIONS**

The present Authorised Share Capital of the Company is ₹10,00,00,000 divided into 1,00,00,000 equity shares of ₹10 each, and the issued equity share capital is ₹15,63,93,640 divided into 1,56,39,364 equity shares of ₹10 each. The Board proposes to increase the Authorised Share Capital to ₹50,00,00,000 divided into 5,00,00,000 equity shares of ₹10 each. This will accommodate the equity shares to be issued under the Milestone Furniture Employee Stock Option Scheme 2026 (Item No. 6) and on conversion of the OCDs, loans and other financial obligations (Item No. 7).

Interest and concern: none of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution at Item No. 3, except to the extent of their respective shareholdings in the Company.

The Board recommends the Special Resolution at Item No. 3 for the approval of the Members.

**ITEM NO. 4 – REGULARISATION OF MS VAISHALI BALASAHEB JAGTAP AS A NON-EXECUTIVE, NON-INDEPENDENT DIRECTOR**

Ms Vaishali Balasaheb Jagtap was appointed as an Additional Director of the Company by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, with effect from 18 August 2026. In terms of Section 161(1) of the Companies Act 2013, she holds office as an Additional Director only up to the date of this Annual General Meeting. The Company has received the requisite consent from Ms Jagtap under Rule 8 of the Companies (Appointment and Qualification of Directors) Rules 2014, and her intimation under Section 152.

Ms Jagtap is proposed to be appointed as a Non-Executive, Non-Independent Director of the Company, liable to retire by rotation. She has no executive term, no employment agreement, is not designated as Key Managerial Personnel and shall receive no managerial remuneration; she will be entitled only to sitting fees within the limits under Section 197 of the Companies Act 2013 and to reimbursement of expenses.

Interest and concern: Ms Jagtap and her relatives are deemed to be interested in the resolution at Item No. 4 to the extent of the appointment. None of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution, except to the extent of their respective shareholdings in the Company.

Further disclosures required under Regulation 36 of the SEBI (LODR) Regulations 2015 and SS-2 are set out in the tabular disclosure above.

The Board recommends the Ordinary Resolution at Item No. 4 for the approval of the Members.

**ITEM NO. 5 – APPOINTMENT OF MR AKASH CHUGH AS AN INDEPENDENT DIRECTOR**

Mr Akash Chugh (DIN 11206510) was appointed as an Additional Director (Non-Executive, Independent) of the Company by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, with effect from 18 August 2026. In terms of Section 161(1) of the Companies Act 2013, he holds office as an Additional Director only up to the date of this Annual General Meeting. He has furnished his consent under Rule 8 and his declaration of independence under Section 149(7) of the Companies Act 2013 and Regulation 25(8) of the SEBI (LODR) Regulations 2015, and the Board has taken the same on record under Regulation 25(9) after due assessment of the veracity thereof.

Regulation 17(1C): the appointment is being placed before the Members within three months of the Board appointment (outer date: 17 November 2026), consistent with the requirement of Regulation 17(1C) of the SEBI (LODR) Regulations 2015.

Board's opinion on eligibility and justification (Section 150(2) and SS-2): the Board, having considered Mr Chugh's profile and skills, is of the opinion that he is a person of integrity, possesses the relevant expertise and experience, and fulfils the conditions specified in Section 149(6) of the Companies Act 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations 2015 for appointment as an Independent Director, and that he is independent of the management. The justification for choosing Mr Chugh is set out in the Reg 36(3)(f) disclosure in the tabular disclosure above.

Mr. Chugh is proposed to be appointed as an Independent Director for a first term of five (5) consecutive years commencing 18 August 2026 and expiring on 17 August 2031, not liable to retire by rotation. He shall be entitled only to sitting fees for attending meetings of the Board and its Committees and to reimbursement of expenses within the limits under Section 197.

Interest and concern: Mr Chugh and his relatives are deemed to be interested in the resolution at Item No. 5 to the extent of the appointment. None of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution, except to the extent of their respective shareholdings in the Company.

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

**ITEM NO. 6 – APPROVAL OF THE MILESTONE FURNITURE EMPLOYEE STOCK OPTION SCHEME 2026 AND GRANT OF OPTIONS THEREUNDER, INCLUDING TO EMPLOYEES OF GROUP COMPANIES AND IDENTIFIED EMPLOYEES**

The Scheme has been designed to (i) attract, retain and reward high-calibre talent, (ii) reinforce a performance-linked ownership culture, and (iii) align employee interests with those of shareholders. The Scheme will be administered by the Nomination and Remuneration Committee, acting as the Compensation Committee under the SBEB Regulations. The Special Resolution at Item No. 6 seeks approval, by way of separate operative paragraphs as mandated by the SBEB Regulations, for (a) the base Scheme, (b) the extension of the Scheme to employees of holding, subsidiary and associate companies (if applicable) and (c) grants of ≥ 1% of the issued capital to identified employees. Approval of the base Scheme is a pre-condition for (b) and (c).

Directors and Key Managerial Personnel of the Company may be deemed to be interested in the resolution at Item No. 6 to the extent of the Options that may be granted to them, subject to eligibility and the exclusions in Regulation 6(2) of the SBEB Regulations. None of the other Directors, KMP or their relatives is concerned or interested in these resolutions, financially or otherwise, save to the extent of their respective shareholdings.

The Board recommends the Special Resolution at Item No. 6 for the approval of the Members.

**ITEM NO. 7 – ISSUE AND ALLOTMENT OF EQUITY SHARES UPON CONVERSION OF THE DEBT, LOAN AND SECURITIES**

At the 11th Annual General Meeting held on 27 December 2025, the Members approved Increasing the Borrowing Powers of the Company under Section 180(1)(c) of the Companies Act, 2013, Not Exceeding Rs. 50 Crore. The Company also has unsecured loans and other financial obligations as explained in the Annual Report for the FY 2025-26 of the company.

The Board proposes to convert the debt, loans and securities into up to 86,39,364 equity shares at ₹28.42 per share, on a preferential basis. Approval is also sought under Section 62(3) of the Companies Act 2013 for a conversion option in present and future loans. This will reduce the Company's debt without any cash outflow and will not result in any change in control of the Company.

The disclosures required under Regulation 163 of the ICDR Regulations, including pricing, proposed allottees, lock-in, shareholding pattern and pre- and post-issue capital.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in this resolution, financially or otherwise, except to the extent of their respective shareholdings in the Company.

The Board recommends the Special Resolution at Item No. 7 for the approval of the Members, subject to (i) the passing of Item No. 3 and (ii) receipt of BSE in-principle approval.

**Fractional entitlements, if any, will be rounded down, and no fractional shares will be issued.**

Place: Chandigarh
Date: 30th October, 2026

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

FOR MILESTONE FURNITURE LIMITED

DIRECTOR

**Akshay Sharma**
(Non-Executive Director)
DIN: 10701657

**ANNEXURE A**

**Details of Directors seeking appointment / re-appointment at the Annual General Meeting**

*(Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2))*

| Particulars | Ms. Vaishali Balasaheb Jagtap | Mr. Akash Chugh |
|---|---|---|
| DIN | 10943315 | 11206510 |
| Date of birth / Age | 19/05/1974 | 11/02/1993 |
| Date of first appointment on the Board | 18th August, 2026 | 18th August, 2026 |
| Category proposed | Non-Executive, Non-Independent; liable to retire by rotation | Independent; not liable to retire by rotation (18.08.2026 to 17.08.2031) |
| Qualifications | Graduated | Computer Science Engineer |
| Brief resume and expertise in specific functional areas | Public Dealings | Advertisement, Media Enterprises and Financial Oversight. |
| Skills and capabilities required for the role and the manner in which the proposed person meets them | Not applicable | Financial oversight, governance and regulatory compliance, risk management and knowledge of the furniture sector |
| Terms and conditions of appointment | Sitting fees only | As per letter of appointment; sitting fees only |
| Remuneration last drawn (FY 2025-26) | Nil | Nil |
| Shareholding in the Company | NIL | Nil |
| Relationship with other Directors / KMP | None | None |
| Number of Board meetings attended during FY 2025-26 | Not applicable | Not applicable |
| Directorships held in other companies | Nil | Proprietor in other company |
| Memberships / Chairmanships of Committees of other companies | Nil | Nil |
| Listed entities from which resigned in the past three years | Nil | Nil |

**ANNEXURE B**

**Salient features of the Milestone Furniture Employee Stock Option Scheme 2026**

*(Pursuant to Part C of Schedule I to the SBEB Regulations and Rule 12(2) of the Companies (Share Capital and Debentures) Rules, 2014)*

| Particulars | Details |
|---|---|
| Brief description of the Scheme | An equity-settled employee stock option scheme for eligible employees and Directors of the Company. |
| Total number of Options to be granted | Up to 70,00,000 Options, each exercisable into one Equity Share of ₹10/-. |
| Identification of classes of employees entitled to participate | Permanent employees and Directors (whether whole-time or not), excluding Independent Directors, Promoters, members of the Promoter Group, and Directors holding, directly or indirectly, more than 10% of the outstanding equity shares. |
| Requirements of vesting and period of vesting | The Committee may prescribe individual performance conditions and grant-wise vesting schedules. |
| Maximum period within which Options shall be vested | Four years from the date of grant. |
| Exercise price or pricing formula | Market Price of a Share on the Relevant Date, as defined in the Scheme, subject to a minimum of ₹10/-. The Grant letter shall specify the Exercise Price. |
| Exercise period and process of exercise | Up to four years from vesting, or a shorter period prescribed at grant; by written application to the Company or Trust, or another Committee-approved method, with payment of the exercise price. |
| Appraisal process for determining eligibility | Based on length of service, grade, performance, potential and such other criteria as the Committee may determine. |
| Maximum number of Options per employee and in aggregate | The Committee may prescribe individual performance conditions and grant-wise compensation schedules |
| Maximum quantum of benefits per employee | Limited to the value of the Options granted. |
| Route of implementation | Trust route through an irrevocable employee welfare trust. |
| Source of acquisition of shares | Primary issue of Equity Shares to the Trust. |
| Loan to trust and secondary acquisition | Company loan or financial assistance to the Trust, subject to applicable approvals; maximum amount: ₹20Cr. Secondary acquisition is not envisaged. |
| Accounting and valuation | In accordance with the applicable accounting standards and Regulation 15 of the SBEB Regulations, using the fair value method. |
| Lock-in | No lock-in on Equity Shares issued on exercise. |
| Terms for re-pricing, forfeiture and lapse | As per the Scheme; or Recommendations of Compensation Committee for final approval of the board. |
| Maximum dilution | Approximately 30% of the paid-up equity share capital on a fully diluted basis. |

## ANNEXURE C

**Instructions for remote e-voting, e-voting at the AGM and attending the AGM through VC/OAVM**

1. Pursuant to the General Circular No. 03/2025 dated September 22, 2025 ('MCA Circulars') and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

6. The Notice calling the AGM is available on the website of Milestone Furniture Limited at www.milestonefurniture.in. The Notice can also be accessed on the website of BSE Limited at www.bseindia.com and on the website of NSDL at www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Wednesday, 18 November 2026 at 9:00 A.M. (IST) and ends on Friday, 20 November 2026 at 5:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. Members whose names appear in the Register of Members / Beneficial Owners as on the cut-off date, Saturday, 14 November 2026, may cast their vote electronically. Voting rights shall be in proportion to the Members' share in the paid-up equity share capital of the Company as on 14 November 2026. The 12th AGM will be held on Saturday, 21 November 2026 at 12:30 P.M. (IST) through VC/OAVM.**

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. |

| | |
|---|---|
| | NSDL Mobile App is available on<br>App Store Google Play |
| Individual Shareholders holding securities in demat mode with CDSL | 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.<br>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.<br>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.<br>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |

| | |
|---|---|
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

| **Login type** | **Helpdesk details** |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

| **Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical** | **Your User ID is:** |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12********** then your user ID is 12********** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Navjeetkaur87543@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password.

In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to the NSDL helpdesk at evoting@nsdl.com

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice**:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to director1@milestonefurniture.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to director1@milestonefurniture.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at director1@milestonefurniture.in. The same will be replied by the company suitably.

6. Members who wish to express their views or ask questions as speakers at the AGM may register by sending a request from their registered email address, mentioning their name, DP ID and Client ID / Folio No. and mobile number, to director1@milestonefurniture.in on or before Saturday, 14 November 2026 at 5:00 P.M. (IST). Only registered speakers will be permitted to speak. The Company reserves the right to restrict the number of speakers depending on the availability of time.

# Board's Report (Directors' Report)

**To,**
**The Members of Milestone Furniture Limited**
Your Directors present the 12th (Twelfth) Annual Report on the business and operations of Milestone Furniture Limited ("the Company"), together with the Audited Financial Statements for the Financial Year ended March 31, 2026.

## 1. Financial Summary & Highlights

The standalone financial performance of the Company for the Financial Year ended March 31, 2026, as compared to the previous Financial Year ended March 31, 2025, is summarized below:

***(Amount in ₹ Lakhs, except EPS)***

| Particulars | Standalone FY 2025-26 | Standalone FY 2024-25 |
|---|---|---|
| **Revenue from Operations** | 0.00 | 0.00 |
| **Other Income** | 0.00 | 0.00 |
| **Total Income** | **0.00** | **0.00** |
| **Less: Total Expenses (excluding Depreciation & Finance Cost)** | 1652.84 | 9.07 |
| **Profit / (Loss) before Interest, Depreciation & Tax (EBITDA)** | **(1652.84)** | **(9.07)** |
| **Less: Finance Costs** | 5.36 | 0.00 |
| **Less: Depreciation and Amortization Expense** | 39.34 | 39.29 |
| **Profit / (Loss) Before Exceptional Items and Tax** | **(1697.54)** | **(48.36)** |
| **Less: Tax Expense (Current Tax / Deferred Tax)** | 0.00 | 0.00 |
| **Profit / (Loss) After Tax (PAT)** | **(1697.54)** | **(48.36)** |
| **Other Comprehensive Income (OCI)** | 0.00 | 0.00 |
| **Total Comprehensive Income for the Year** | **(1697.54)** | **(48.36)** |
| **Earnings Per Share (Basic & Diluted) (in ₹)** | (18.26) | (0.52) |

## 2. State of Company's Affairs & Operations

Milestone Furniture Limited is engaged in the manufacturing of home and office furniture and providing spatial, educational, home, and corporate office designing solutions. During the year under review and subsequent months, the Board undertook comprehensive capital, operational, and governance restructuring to revive and scale operations, streamline working capital, and evaluate new business avenues.

## 3. Dividend

During the Financial Year 2025-26, the Company recorded Nil revenue from operations and incurred a net loss of ₹1,697.54 Lakhs

(Previous Year: Net Loss of ₹48.36 Lakhs). In view of the absence of operational turnover and the losses incurred during the year under review, and in accordance with the provisions of Section 123 of the Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014, your Board of Directors has not recommended any dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2026 (Previous Year: Nil)

**4. Transfer to Reserves**

In view of the net loss incurred during the Financial Year ended March 31, 2026, no amount has been transferred to the General Reserve. The entire net loss of ₹1,697.54 Lakhs for the year under review has been carried forward and adjusted under the head "Retained Earnings / Surplus in the Statement of Profit and Loss" in Other Equity.

**5. Share Capital & Capital Restructuring Proposals**

- **Authorised Share Capital:** As on March 31, 2026, the Authorised Share Capital of the Company stood at ₹10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 Equity Shares of ₹10/- each. Subsequently, at the Board Meeting held on September 17, 2026, the Board approved an increase in the Authorised Share Capital to **₹50,00,00,000/- (Rupees Fifty Crores Only)** divided into 5,00,00,000 Equity Shares of ₹10/- each, subject to Shareholders' approval.

- **Issued, Subscribed and Paid-up Capital:** As on March 31, 2026, the Paid-up Equity Share Capital of the Company stood at **₹9,29,70,000/-** divided into **92,97,000 Equity Shares** of face value of ₹10/- each.

- **Conversion Notices for Debt, Loans and other Securities:** Subsequent to the end of the financial year, the Board took on record formal Conversion Notices for Debt, loans and other securities received from the holders into 86,39,364 Equity Shares. Acknowledging the procedural omission of obtaining prior in-principle approval under Regulation 28(1) of the SEBI LODR Regulations at the time of issuance, the Board (at its meetings held on October 23, 2026) explicitly resolved to defer the formal allotment of resultant Equity Shares until post-facto in-principle approval is received from BSE Limited, and authorized the filing of other applications (if any) and payment of applicable SOP fines/penalties, if any.

**6. Material Changes and Commitments Affecting Financial Position Between the End of the Financial Year and the Date of this Report**

Except as disclosed below and elsewhere in this Report, no material changes and commitments have occurred between March 31, 2026 and October 23, 2026:

1. **Extension of 12th AGM:** Pursuant to an application filed by the Company on September 18, 2026 under the third proviso to Section 96(1) of the Act, the Registrar of Companies, Mumbai, vide Order dated September 19, 2026, granted an extension of **1 month and 15 days** (up to November 14, 2026) for convening the 12th AGM for FY 2025-26.

2. **Termination of Proposed Acquisition of U M T Infra Projects Private Limited:** The Board had earlier on January 28, 2026 granted in-principle approval to evaluate the strategic acquisition of equity shares of *U M T Infra Projects Private Limited*. Following due diligence and valuation assessments, the parties could not arrive at mutually viable commercial terms, valuation criteria, or closing conditions. Consequently, on October 23, 2026, the Board formally terminated the negotiations. This termination carries no continuing financial, operational, or legal liability on the Company.

3. **Rescission of Khar West Branch Office Resolution:** Commercial negotiations for acquiring lease premises at *401, Makhija Royale, S. V. Road, Khar West, Mumbai – 400052* did not materialize, and no lease was executed. To regularize corporate records, the Board on September 17, 2026 formally rescinded the earlier resolution passed on December 16, 2025.

4. **Debt, Loans and other securities Conversion/Allotment & Capital Restructuring:** As detailed in Paragraph 5 above.

**7. Change in the Nature of Business**

There has been no change in the nature of business of the Company during the Financial Year 2025-26.

**8. Performance of Subsidiaries, Joint Ventures, and Associate Companies (Section 129(3) & Rule 8(1))**

The Company does not have any Holding, Subsidiary, Joint Venture, or Associate Company as on March 31, 2026. Furthermore, no company became or ceased to be a Subsidiary, Joint Venture, or Associate of the Company during the Financial Year 2025-26. Accordingly, the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 relating to the preparation of Consolidated Financial Statements and the attachment of a separate statement containing the salient features of the financial statement of subsidiaries/associates in Form AOC-1 are not applicable to the Company.

**9. Public Deposits (Section 73 & Rule 8(5)(v))**

During the Financial Year 2025–26, the Company has neither invited nor accepted any deposits from the public within the meaning of Sections 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.
In terms of the proviso to Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014, the details of unsecured loans accepted from and repaid to Directors / Key Management Personnel during the Financial Year 2025–26 are as follows:

- **Unsecured Loan taken from Directors during FY 2025–26:** Nil (Previous Year: ₹8.37 Lakhs from Mr. Mayank Rasiklal Kotadia).

- **Unsecured Loan repaid to Directors during FY 2025–26:** ₹22.39 Lakhs repaid to Mr. Mayank Rasiklal Kotadia (Previous Year: Nil).

- **Outstanding Unsecured Loan Payable to Directors as on March 31, 2026:** Nil (Previous Year: ₹22.39 Lakhs).

**10. Particulars of Loans, Guarantees or Investments (Section 186 & Section 134(3)(g))**

During the Financial Year 2025–26, the Company did not give any corporate guarantees or make any new investments in securities of other bodies corporate. The particulars of loans/advances given by the Company during the year under review—comprising ₹7.31 Lakhs to Mr. Mayank Rasiklal Kotadia and ₹15.00 Lakhs to Mr. Akshay Sharma (aggregating to ₹22.31 Lakhs outstanding as at March 31, 2026)—are disclosed in the Notes to the Audited Financial Statements forming part of this Annual Report.

**11. Particulars of Contracts or Arrangements with Related Parties (Section 188(1) & Section 134(3)(h))**

During the Financial Year 2025–26, the Company did not enter into any contracts or arrangements with Related Parties falling within the purview of clauses (a) to (g) of Section 188(1) of the Companies Act, 2013. Accordingly, the disclosure of NIL particulars of contracts or arrangements with related parties in **Form No. AOC-2** pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is marked as **Annexure I**.

During the year under review, the transactions with Related Parties (Key Managerial Personnel / Directors) were confined to financial/loan transactions approved by the Audit Committee under Section 177(4)(iv) of the Companies Act, 2013 and disclosed in the Notes to the Audited Financial Statements in accordance with the applicable Accounting Standards, the summary of which (including disclosure pursuant to the proviso to Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014) is set out below:

- **Unsecured Loan Taken from KMP/Director:** Nil during FY 2025–26 (Previous Year: ₹8.37 Lakhs taken from Mr. Mayank Rasiklal Kotadia).

- **Unsecured Loan Repaid to KMP/Director:** ₹22.39 Lakhs repaid in full to Mr. Mayank Rasiklal Kotadia during FY 2025–26 (Previous Year: Nil), resulting in a Nil outstanding Loan Payable balance as at March 31, 2026 (Previous Year: ₹22.39 Lakhs).

- **Loans / Advances Given to KMP/Directors:** ₹7.31 Lakhs to Mr. Mayank Rasiklal Kotadia and ₹15.00 Lakhs to Mr. Akshay Sharma during FY 2025–26 (Previous Year: Nil), which remain outstanding as receivable balances as at March 31, 2026.

Members may refer to the Notes to the Audited Financial Statements for complete details of the Related Party Disclosures.

**12. Directors and Key Managerial Personnel (Section 134(3)(q) & Section 168 / 178)**

During FY 2025-26 and up to the date of this Report, the composition of the Board and Key Managerial Personnel underwent the following changes:

- **Appointments / Regularizations at the 11th AGM (27.12.2025):** Mrs. Payal Vatsal Thakkar (DIN: 10799911) was regularized as a Non-Executive, Non-Independent Director, and the resignation of Mrs. Muskan Rana (DIN: 10216001) as Independent Director was noted.

- **Appointments of Additional Directors (18.08.2026):**

  - **Mr. Akash Chugh (DIN: 11206510)** was appointed as an Additional Director (Non-Executive & Independent) w.e.f. August 18, 2026. The Board recommends his regularization for a 5-year term at the ensuing 12th AGM.

  - **Ms. Vaishali Balasaheb Jagtap (DIN: 10943315)** was appointed as an Additional Director (Executive, in Professional Capacity) w.e.f. August 18, 2026. The Board recommends her regularization at the ensuing 12th AGM.

- **Resignations / Cessations:**

  - **Mr. Vivek Yogeshwar Sonar (DIN: 07735643)** resigned as Executive Director effective from the close of business hours on **March 16, 2026** due to personal reasons.

  - **Ms. Payal Vatsal Thakkar (DIN: 10799911)** resigned as Director effective from the close of business hours on **August 19, 2026** due to personal reasons (noted by the Board on August 26, 2026).

  - **Mr. Mayank Rasiklal Kotadia (DIN: 07484438)** resigned as Whole-Time Director and Key Managerial Personnel effective from the close of business hours on **August 21, 2026** due to personal reasons (noted by the Board on August 26, 2026).

  - **Mr. Abhishek Pokharna (ACS: 52100)** tendered his resignation from the position of Company Secretary and Compliance Officer (KMP) effective from the close of business hours on **September 20, 2026** to pursue a new professional opportunity (formally noted and accepted by the Board on October 23, 2026). The Board is in the process of identifying and appointing a qualified Company Secretary within the statutory timeline prescribed under Section 203(4) of the Act and Regulation 6(1A) of the SEBI LODR Regulations.

  - The Board places on record its sincere appreciation for the contributions made by the outgoing Directors and KMP during their respective tenures.

**13. Declaration by Independent Directors & Integrity/Proficiency Opinion (Section 134(3)(d), 149(6) & Rule 8(5)(iiia))**

During the Financial Year 2025–26, following the resignation of Mrs. Muskan Rana (DIN: 10216001), there was only one (1) Independent Director on the Board of the Company, resulting in a shortfall in the minimum number of Independent Directors required for constituting the statutory Committees under Sections 177 and 178 of the Companies Act, 2013. Subsequently, on August 18, 2026, the Board inducted **Mr. Akash Chugh (DIN: 11206510)** as an Additional Director (Non-Executive & Independent).

The Company has received necessary declarations from the Independent Director(s) under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act, have complied with the Code for Independent Directors prescribed in Schedule IV to the Act, and have registered their names in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, the Independent Director(s) possess the requisite integrity, expertise, experience, and proficiency.

**14. Number of Meetings of the Board of Directors & Secretarial Standards Compliance (Section 134(3)(b) & Section 118(10))**

During the Financial Year 2025-26, the Board of Directors met regularly in accordance with Section 173 of the Companies Act, 2013 and Secretarial Standard-1 (SS-1), ensuring that the maximum gap between any two consecutive Board Meetings did not exceed 120 days

During the Financial Year 2025-26, the company had 15 Board meeting:

18.06.2025, 25.06.2025, 16.07.2025, 11.08.2025, 17.11.2025, 25.11.2025, 01.12.2025, 16.12.2025, 28.01.2026, 15.02.2026, 18.02.2026, 05.03.2026, 18.03.2026 and 25.03.2026.

**Compliance with Secretarial Standards:** The Directors state that the Company has devised proper systems to ensure compliance with, and has complied with, the applicable provisions of **Secretarial Standard-1 (SS-1)** on Meetings of the Board of Directors and **Secretarial Standard-2 (SS-2)** on General Meetings issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

**15. Committees of the Board (Sections 177 & 178)**

Since the Equity Shares of the Company are listed on the SME Platform of BSE Limited, the Corporate Governance provisions under Regulations 18, 19, and 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee are not applicable to the Company by virtue of the exemption under Regulation 15(2)(b) of the SEBI Listing Regulations.

With respect to the provisions of Sections 177 and 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, as there was only **one (1) Independent Director** on the Board during the Financial Year 2025–26 (whereas Section 177(2) and Section 178(1) mandate a minimum of two Independent Directors to constitute a majority in the Audit Committee and at least one-half in the Nomination and Remuneration Committee), the **Audit Committee**, the **Nomination and Remuneration Committee**, and the **Stakeholders Relationship Committee** were not properly constituted during the year under review.

Consequently, during the Financial Year 2025–26 and until the reconstitution of the Committees, all statutory matters required to be reviewed by the said Committees—including oversight of financial statements, auditor appointments, related party transactions, and managerial appointments/remuneration—were placed directly before, and discharged by, the Board of Directors as a whole. Following the appointment of Mr. Akash Chugh as an Independent Director on August 18, 2026, the Board is taking further steps to induct additional Non-Executive / Independent Director(s) and duly reconstitute its statutory Committees in compliance with Sections 177 and 178 of the Act

**16. Annual Evaluation of Board Performance**

By virtue of Regulation 15(2)(b) of the SEBI (LODR) Regulations, 2015, the provisions of Regulations 17(10) and 25(3) & (4) of the SEBI Listing Regulations are not applicable to the Company as an SME-listed entity.

With respect to the provisions of Section 134(3)(p), Section 178(2), and Schedule IV of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and Clause 2.3 of Secretarial Standard-1 (SS-1), since there was only **one (1) Independent Director** on the Board during the Financial Year 2025–26:

1. **Separate Meeting of Independent Directors:** A separate meeting of Independent Directors under Clause VII of Schedule IV to the Companies Act, 2013 could not be held during the year under review, as a minimum of two Independent Directors is required to constitute a valid meeting.

2. **Annual Performance Evaluation:** In the absence of a duly constituted Nomination and Remuneration Committee under Section 178(1) and a separate meeting of Independent Directors under Schedule IV, the formal annual performance evaluation of the Board, its Committees, and individual Directors in the manner prescribed under Section 178(2) and Section 134(3)(p) could not be carried out during the Financial Year 2025–26. However, the Board as a whole reviewed the overall functioning of the Board and individual Directors during its regular meetings. Upon complete reconstitution of the Board and the Nomination and Remuneration Committee, the formal annual evaluation mechanism shall be duly implemented.

**17. Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge and ability, confirm that:

1. In the preparation of the annual accounts for the Financial Year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit/loss of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts for the Financial Year ended March 31, 2026 on a **going concern basis**;
5. The Directors have laid down **internal financial controls** to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**18. Auditors and Auditors' Reports**

- **Statutory Auditors (Section 139 & 134(3)(f)):** At the 11th AGM held on December 27, 2025, **M/s R. Daga & Company, Chartered Accountants (FRN: 328421E)** were regularized as Statutory Auditors. However, M/s R. Daga & Company tendered their resignation effective **July 28, 2026**. To fill the resulting casual vacancy under Section 139(8), the Board at its meeting held on September 17, 2026 appointed **M/s Gupta Rajesh & Associates, Chartered Accountants (ICAI FRN: 009888N)**. M/s Gupta Rajesh & Associates have conducted the Statutory Audit for FY 2025-26 and submitted their Independent Auditor's Report, which was taken on record by the Board on October 23, 2026. Furthermore, the Board has recommended their appointment for a term of 5 consecutive financial years (FY 2026-27 to FY 2030-31) at the ensuing 12th AGM.

***Board's Explanation on Auditor's Qualifications / Emphasis of Matter (Section 134(3)(f)):***

***1. Regarding Observation on Unrecorded liabilities and contingencies:***
***Auditor's Remark:*** *As stated in Note 26 to the Ind AS financial statements, the standoff between the new owners and the earlier management of the Company continues, and the new management estimates that liabilities to investors, government agencies and third parties not recorded in the books of account amount to approximately Rs. 5,000 lakhs. Further, the Income Tax Department has raised demands aggregating Rs. 1,252.21 lakhs for Assessment Years 2016-17 to 2021-22, against which the Company has filed appeals before the CIT(A) and the PCIT; the GST Department has marked a lien of Rs. 233.00 lakhs on the Company's bank account with ICICI Bank for demands relating to FY 2018-19 and FY 2019-20;*

*and proceedings with BSE Limited are ongoing. No provision has been made in the Ind AS financial statements in respect of any of these matters. We were unable to obtain sufficient appropriate audit evidence regarding the completeness of the liabilities recorded, or the need for and the amount of any provision, which are significant in relation to the Company's reported net worth of Rs. 749.43 lakhs as at March 31, 2026.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observations regarding the completeness of liabilities and the absence of provisions in respect of the matters disclosed in Note 26 to the Ind AS financial statements.*

*The continuing dispute between the new owners and the earlier management has affected the availability and verification of records relating to past transactions and obligations. The estimated unrecorded liabilities of approximately Rs. 5,000 lakhs require further examination and reconciliation to determine their nature, completeness and amounts.*

*The income-tax demands aggregating Rs. 1,252.21 lakhs and the interest thereon are under appeal before the relevant authorities. The GST lien of Rs. 233.00 lakhs plus interest and the proceedings with BSE Limited also remain unresolved.*

*The Board acknowledges the significance of these matters relative to the Company's reported net worth. It will undertake a detailed review of the available records, seek supporting information and appropriate professional advice, and assess the requirement for provisions and disclosures under the applicable Ind AS. Any adjustments identified through this review will be recognised in the financial statements in accordance with the applicable accounting requirements. The Board will also strengthen the processes for identifying, recording and monitoring outstanding liabilities and statutory demands.*

***2. Regarding Trade receivables:***
***Auditor's Remark:*** *Trade receivables of Rs. 448.24 lakhs, carried at Rs. 224.12 lakhs after an allowance for expected credit loss of Rs. 224.12 lakhs (Note 9), are outstanding for more than three years and are classified by the Company as credit impaired. Party-wise details of these receivables are not available on record and no balance confirmations were provided to us. Consequently, we were unable to verify the existence and recoverability of these balances or the adequacy of the allowance made.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observations regarding trade receivables of Rs. 448.24 lakhs, outstanding for more than three years, against which an expected credit loss allowance of Rs. 224.12 lakhs has been recognised, resulting in a net carrying amount of Rs. 224.12 lakhs.*

*The Board acknowledges that the absence of party-wise records and balance confirmations limits the verification of these balances and the assessment of their recoverability. The existing allowance does not, by itself, establish that the remaining carrying amount is recoverable.*

*The Board will initiate a review to reconstruct the party-wise details from available accounting records and supporting documents, seek balance confirmations, and assess the prospects of recovery. Based on the evidence obtained, the Company will reassess the adequacy of the expected credit loss allowance and recognise any additional impairment or write-off required under the applicable Ind AS. Recovery action will be considered wherever supported by the available records and appropriate professional advice.*

***3. Regarding Inventories:***
***Auditor's Remark:*** *Inventories of finished goods of Rs. 250.15 lakhs are carried at Rs. 125.07 lakhs after a write-down of Rs. 125.08 lakhs (Note 8). Since we were appointed after March 31, 2026, we could not observe the physical counting of inventories, and no stock records or other evidence were available to enable us to satisfy ourselves by alternative means as to the existence, quantity and net realisable value of the inventories.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observations regarding finished goods inventories of Rs. 250.15 lakhs, carried at Rs. 125.07 lakhs after a write-down of Rs. 125.08 lakhs.*

*The Board acknowledges that the absence of stock records and other supporting evidence prevented verification of the existence, quantity and net realisable value of inventories as at March 31, 2026. The write-down already recognised does not, by itself, establish the adequacy of the remaining carrying value.*

*The Board will arrange physical verification of the available inventories and seek to reconstruct the stock records from purchase, production, sales and other supporting documents. Any subsequent physical count will be reconciled, to the extent supported by reliable records, with stock movements since March 31, 2026. The Company will assess the condition, obsolescence and estimated net realisable value of the inventories and recognise any adjustments required under the applicable accounting standards. The Board will also strengthen inventory records, periodic verification and reconciliation procedures.*

***4. Regarding Loans and advances:***
***Auditor's Remark:*** *Long-term loans and advances of Rs. 500.36 lakhs are carried at Rs. 220.18 lakhs after a provision of Rs. 280.18 lakhs, and a deposit for land of Rs. 60.00 lakhs has been written off during the year (Note 6). Loans to others of Rs. 788.92 lakhs have been fully provided for during he year (Note 12). Advances to employees of Rs. 62.15 lakhs and other current assets of Rs. 123.44 lakhs are carried in full (Note 13). Details of the counterparties, the underlying agreements, balance confirmations and the basis for the provisions made were not made available to us. We were therefore unable to verify the existence, recoverability and classification of these balances, or the adequacy of the provisions made.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observations concerning long-term loans and advances of Rs. 500.36 lakhs, carried at Rs. 220.18 lakhs after a provision of Rs. 280.18 lakhs; the write-off of the land deposit of Rs. 60.00 lakhs; the full provision against loans to others of Rs. 788.92 lakhs; and employee advances and other current assets of Rs. 62.15 lakhs and Rs. 123.44 lakhs, respectively.*

*The Board acknowledges that the absence of counterparty details, underlying agreements, balance confirmations and documented assessment of recoverability limits verification of these balances, their classification, and the adequacy of the provisions and write-off. The accounting adjustments already recognised do not, by themselves, resolve these evidentiary limitations.*

*The Board will initiate a review to reconstruct counterparty-wise records, obtain supporting agreements and confirmations, and assess the existence, recoverability and appropriate classification of each balance. This review will also examine the basis of the provisions and the land-deposit write-off. Any additional provisions, write-offs, reclassifications or other adjustments identified will be recognised in accordance with the applicable accounting standards. The Board will also strengthen documentation, approval, reconciliation and periodic monitoring of loans, advances and other recoverable balances.*

***5. Regarding Property, plant and equipment:***
***Auditor's Remark:*** *A fixed asset register and records of physical verification of property, plant and equipment carried at Rs. 136.42 lakhs (Note 4) were not made available to us, and*
*no assessment of impairment has been made although the Company has had no operations during the year. The gross block as at April 1, 2024 could not be reconciled with the movements reported for earlier years. We were also not provided with the basis for the write-off of capital work-in-progress of Rs. 165.03 lakhs during the year. We were therefore unable to verify the existence and carrying amount of these assets.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observations regarding property, plant and equipment carried at Rs. 136.42 lakhs, the absence of a fixed asset register and physical verification records, the unreconciled opening gross block as at April 1, 2024, and the unsupported write-off of capital work-in-progress of Rs. 165.03 lakhs.*

*The Board acknowledges that these deficiencies limit verification of the existence, ownership and carrying amounts of the assets. The absence of operations during the year also warrants an assessment of impairment; physical verification alone would not establish the recoverability of the carrying amounts.*

*The Board will initiate reconstruction of the fixed asset register from available invoices, ownership documents and accounting records, arrange physical verification, and reconcile the opening balances with prior-year movements. It will also obtain and review supporting documentation for the capital work-in-progress write-off and undertake an impairment assessment under the applicable Ind AS, with professional assistance where required.*

*Any adjustments arising from these reviews will be recognised in accordance with the applicable accounting standards. The Board will also strengthen asset documentation, periodic physical verification, reconciliation and impairment-review procedures.*

***6. Regarding Optionally Convertible Debentures:***
***Auditor's Remark:*** *During the year, the Company allotted 5,746 secured, unlisted Optionally Convertible Debentures of Rs. 10,000 each aggregating Rs. 574.60 lakhs, carried at Rs.579.96 lakhs including interest accrued of Rs. 5.36 lakhs (Note 16). The Debenture Subscription Agreement and the private placement offer letter (Form PAS-4) were not made available to us. The report of the registered valuer dated October 15, 2026, which has been relied upon for the related disclosures, states that these documents were not reviewed by the valuer either. The valuer has taken the terms of the debentures from the Board resolutions and term sheets, which state different maturity dates, has assumed that the cumulative coupon compounds annually, and has determined the fair value of Rs. 535.44 lakhs as at October 15, 2026 rather than as at the reporting date. The valuer also notes that, if the Debenture Subscription Agreement fixes the conversion price, the fair value would increase to approximately Rs. 785 lakhs. Consequently, we were unable to verify the terms of the debentures, including the conversion terms, the maturity date and the security created, their classification and measurement under Ind AS 32 and Ind AS 109, and the utilisation of the proceeds.*

***Board's Explanation:***

*The Board has taken note of the Auditor's observations regarding the 5,746 Optionally Convertible Debentures aggregating Rs. 574.60 lakhs, carried at Rs. 579.96 lakhs inclusive of accrued interest of Rs. 5.36 lakhs.*

*The Board clarifies that a sample Debenture Subscription Agreement setting out all terms and conditions of the proposed arrangement has been provided to the Auditor for review, including the provisions relating to interest, maturity, conversion and security. The applicability of these terms to the outstanding debentures remains subject to verification against the executed agreements and supporting records. The valuation as at October 15, 2026 will also be reviewed for its relevance to the measurement as at March 31, 2026.*

*The Company will reconcile the sample agreement with the executed contractual documents, offer documents, allotment records, security and charge documents, and supporting bank records, and review the receipt and utilisation of the proceeds. Based on the verified terms, the Company will assess the appropriate classification and measurement under Ind AS 32 and Ind AS 109, including the valuation as at the reporting date and the interest accrued.*

*Any resulting adjustments and disclosures will be incorporated in accordance with the applicable accounting requirements. The Board will also strengthen the maintenance and review of financing documents and the monitoring of proceeds.*

***7. Regarding Bank balances:***
***Auditor's Remark:*** *Balance confirmations were not received in respect of bank balances of Rs. 64.48 lakhs (Note 10) and a fixed deposit of Rs. 400.00 lakhs (Note 11), on which no interest income has been recognised. In view of the lien referred to in paragraph (a) above, we were unable to determine whether these balances are subject to restrictions on use and are appropriately classified.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observations regarding the absence of bank confirmations for bank balances of Rs. 64.48 lakhs and a fixed deposit of Rs. 400.00 lakhs, the non-recognition of interest income on the fixed deposit, and uncertainty concerning restrictions on the use of these balances.*

*The Board acknowledges that, pending direct confirmation from the banks and verification of the applicable lien or other restrictions, the availability and appropriate classification of these balances cannot be conclusively established.*

*The Board will seek confirmations directly from the banks covering account balances, fixed-deposit particulars, interest accrued or credited, and any liens, attachments or other restrictions. These confirmations will be reconciled with the accounting records and the relevant orders or communications from the authorities. The Company will also examine the contractual terms of the fixed deposit and assess the interest income required to be recognised under the applicable accounting standards.*

*Any necessary adjustments to balances, interest income, classification and disclosures will be made in accordance with the applicable accounting requirements. The Board will also strengthen periodic bank reconciliation and confirmation procedures.*

***8. Regarding Opening balances and comparatives:***
***Auditor's Remark:*** *The matters giving rise to the disclaimer of opinion expressed by the predecessor auditor on the financial statements for the year ended March 31, 2025 remain unresolved. We were therefore unable to obtain sufficient appropriate audit evidence regarding the opening balances as at April 1, 2025, which enter into the determination of the financial performance and cash flows for the year ended March 31, 2026, or regarding the comparative figures.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observations that the matters underlying the predecessor auditor's disclaimer of opinion for the year ended March 31, 2025 remain unresolved. The Board acknowledges that these matters affect the verification of opening balances as at April 1, 2025 and comparative figures, and may consequently affect the financial performance and cash flows reported for the year ended March 31, 2026.*

*The Board will undertake a review of the unresolved matters, seek relevant records and explanations from the earlier management and, where available, information from the predecessor auditor through the appropriate process. The Company will reconstruct supporting schedules, reconcile opening balances with prior-year records, and assess the accounting implications of any discrepancies identified.*

*Any corrections, including adjustments to opening balances and restatement of comparative figures where required, will be made in accordance with the applicable Ind AS, with appropriate disclosures. The Board will also strengthen record retention, reconciliation and financial reporting controls to address the underlying deficiencies.*

***9. Regarding Going concern:***
***Auditor's Remark:*** *The Company has had no revenue from operations during the years ended March 31, 2026 and March 31, 2025 and has incurred a loss of Rs. 1,697.54 lakhs for the year ended March 31, 2026, and the demands and estimated*

*unrecorded liabilities referred to in paragraph (a) above significantly exceed its net worth. The Ind AS financial statements have nevertheless been prepared on a going concern basis. In the absence of sufficient appropriate evidence supporting management's use of the going concern basis of accounting, we were unable to conclude on its appropriateness.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observations regarding the absence of operating revenue for two consecutive financial years, the loss of Rs. 1,697.54 lakhs for the year ended March 31, 2026, and the significant demands and estimated unrecorded liabilities relative to the Company's net worth. The Board acknowledges that these conditions indicate material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.*
*The Board also acknowledges that the use of the going concern basis requires support from a documented assessment of liquidity, obligations falling due, available funding and realistic prospects for resuming operations. Proposed financing or business plans cannot be relied upon without sufficient evidence of their feasibility and availability.*
*The Board will undertake a detailed assessment supported by cash-flow forecasts, evaluation of outstanding liabilities and statutory demands, and verification of any funding commitments and operational plans. The assessment will cover at least twelve months from the reporting date and consider relevant information available up to approval of the financial statements.*
*Based on this assessment, the Company will determine the appropriate basis of preparation and provide the disclosures required under the applicable Ind AS. If the going concern basis is not appropriate, the financial statements will require preparation on an alternative basis, with disclosure of that basis and the reasons for its use.*

***10. Regarding Related parties:***
***Auditor's Remark:*** *We were unable to obtain sufficient appropriate audit evidence that all related parties, and all transactions and balances with them, have been identified and disclosed in Note 25 to the Ind AS financial statements.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observations regarding the completeness of the related parties, transactions and outstanding balances disclosed in Note 25 to the Ind AS financial statements. The Board acknowledges that the available records and supporting information were insufficient to establish that all related parties and dealings with them had been identified and disclosed.*

*The Board will initiate a review of related-party relationships and transactions, including obtaining updated declarations from directors and key management personnel, examining relevant registers, ownership information, agreements and accounting records, and seeking confirmations where appropriate. The review will cover relationships and transactions during the financial year, including changes in those relationships.*

*Any omissions or discrepancies identified will be assessed, and the necessary accounting adjustments and disclosures will be made in accordance with the applicable Ind AS. The Company will also review compliance with applicable approval requirements and strengthen procedures for identifying, recording, approving and periodically reviewing related-party transactions and balances.*

***11. Regarding Loans Granted:***
***Auditor's Remark:*** *The Company has granted loans aggregating Rs. 22.31 lakhs to its directors, Mr. Mayank Rasiklal Kotadia (Rs. 7.31 lakhs) and Mr. Akshay Sharma (Rs. 15.00 lakhs), which are outstanding as at March 31, 2026 (Note 12), in contravention of section 185 of the Act.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observation that loans of Rs. 7.31 lakhs to Mr. Mayank Rasiklal Kotadia and Rs. 15.00 lakhs to Mr. Akshay Sharma, aggregating Rs. 22.31 lakhs and outstanding as at March 31, 2026, were granted*

*in contravention of Section 185 of the Companies Act, 2013.*

*The Board views the reported non-compliance seriously and will examine the circumstances in which these loans were granted, including the supporting records, approvals and terms. The Company will initiate appropriate steps for recovery of the outstanding amounts and obtain legal advice on the action required to address the contravention. Recovery of the loans will not, by itself, be treated as resolving the past non-compliance.*

*The Board will also strengthen controls over advances and lending transactions, including prior legal and compliance review of transactions involving directors and connected persons, and periodic monitoring of outstanding balances.*

***12. Regarding registration of charges under section 77 of the companies Act 2013:***
***Auditor's Remark:*** *The debentures referred to in paragraph (f) above are stated to be secured by a charge on the receivables, book debts and cash flows of the Company; however, as per the records of the Ministry of Corporate Affairs, no such charge has been registered with the Registrar of Companies as required by section 77 of the Act.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observation that no charge securing the Optionally Convertible Debentures has been registered with the Registrar of Companies under Section 77 of the Companies Act, 2013, although the debentures are stated to be secured against the Company's receivables, book debts and cash flows.*

*The Board acknowledges this compliance deficiency and will review the executed financing and security documents to establish the nature, extent and date of creation of the proposed security. Based on verified records and appropriate professional advice, the Company will initiate the applicable registration or remedial process, including seeking any necessary statutory relief.*

*Pending this review and completion of the applicable process, the Company will reassess the description of the debentures as secured and ensure appropriate disclosures in its financial statements. The Board will also strengthen procedures for documenting security arrangements, monitoring statutory filing deadlines and verifying registration of charges.*

***13. Regarding comparative financial information under the Companies (Accounting Standards) Rules, 2021:***
***Auditor's Remark:*** *The comparative financial information was prepared under the Companies (Accounting Standards) Rules, 2021. These are the Company's first financial statements prepared under Ind AS; however, they do not include the explanation of the transition to Ind AS and the reconciliations required by Ind AS 101, First-time Adoption of Indian Accounting Standards.*

***Board's Explanation:***
*The Board has taken note of the Auditor's observation that the Company's first Ind AS financial statements do not include the explanation of transition and reconciliations required under Ind AS 101, although the comparative financial information was prepared under the Companies (Accounting Standards) Rules, 2021.*

*The Board acknowledges this reporting deficiency and will arrange a review of the transition to Ind AS, with appropriate professional assistance. The review will establish the applicable transition date, assess the accounting policy changes and transition adjustments, and prepare the required opening Ind AS balance sheet, comparative information, reconciliations and explanatory disclosures.*

*The Company will address the identified omissions through the applicable financial reporting and approval process. The*

*Board will also strengthen its financial statement preparation and review procedures to ensure that the requirements relating to first-time adoption of Ind AS are appropriately addressed.*

- **Secretarial Auditors (Section 204):** Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had engaged the previous Secretarial Auditor to conduct the Secretarial Audit for the Financial Year 2025–26. However, despite multiple telephone calls, electronic messages, and formal reminders sent by the management, the said auditor remained completely unresponsive and failed to complete the audit or issue the Secretarial Audit Report in Form MR-3 prior to the adoption of these financial statements.

  Consequently, the Secretarial Audit Report for the Financial Year ended March 31, 2026 could not be annexed to this Board's Report. To rectify this operational impasse and ensure uncompromised governance standards moving forward, the Board has initiated steps to formalize the discontinuation of the said auditor. Furthermore, as noted in the Notice of the 12th Annual General Meeting, the Board has recommended the appointment of **M/s Arshiya Jain & Associates, Practising Company Secretaries (Peer Reviewed Firm)** as the Secretarial Auditors of the Company for a term of 5 consecutive financial years commencing from FY 2026–27 to FY 2030–31, for approval by the members.
- **Reporting of Frauds by Auditors (Section 143(12) & Section 134(3)(ca)):** During the Financial Year 2025–26, the Statutory Auditors have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or the Board under Section 143(12) of the Companies Act, 2013. With respect to the Secretarial Auditors, while no such reporting of fraud was communicated by the previously engaged secretarial auditor prior to becoming unresponsive, the company has not received any adverse reporting or communication regarding fraud under Section 143(12).

- **Maintenance of Cost Records & Cost Audit (Section 148(1) & Rule 8(5)(ix)):** The provisions of Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 relating to the maintenance of cost records and Cost Audit are **not applicable** to the Company for FY 2025-26.

**19. Annual Return Web-Link (Section 92(3) & Section 134(3)(a))**

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return of the Company in **Form MGT-7** for the Financial Year 2025-26 is placed on the website of the Company and can be accessed at (https://www.milestonefurniture.in).

**20. Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings & Outgo (Section 134(3)(m) & Rule 8(3))**

- **A. Conservation of Energy:**
  - Steps taken or impact on conservation of energy: The Company continuously monitors power consumption across its administrative and warehouse facilities and utilizes energy-efficient LED lighting and power-saving equipment.
  - Steps taken for utilizing alternate sources of energy: Evaluated solar/green energy options where feasible.
  - Capital investment on energy conservation equipment: Nil during FY 2025-26.

- **B. Technology Absorption:**
  - The Company adopts modern CAD/CAM modular furniture design software and workflow automation tools. No specific expenditure was incurred on formal Research & Development (R&D) during FY 2025-26.

- **C. Foreign Exchange Earnings and Outgo:**

- **Foreign Exchange Earned (in terms of actual inflows):** Nil
- **Foreign Exchange Outgo (in terms of actual outflows):** Nil

**21. Risk Management Policy**

The Board has formulated and implemented a Risk Management framework to identify, assess, and mitigate operational, financial, regulatory, and market risks that may threaten the existence of the Company.

Furthermore, the Company maintains adequate Internal Financial Controls with reference to the Financial Statements commensurate with its size and nature of operations. During the period under review, while certain statutory committee frameworks were undergoing transitional adjustments, the internal financial controls and financial records were subjected to review and oversight by the Internal Auditors and the Board of Directors. Following the ongoing reconstitution of the Board and its committees, regular reviews by the Audit Committee shall be fully streamlined.

**22. Vigil Mechanism / Whistle Blower Policy (Section 177(9) & Regulation 22 of SEBI LODR)**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, the Company has established a Vigil Mechanism / Whistle Blower Policy for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct.

*(Note: Compliance with Regulation 22 of the SEBI LODR Regulations is exempt for the Company under Regulation 15(2)(b) as its shares are listed on the BSE SME Platform).*

The Policy provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee (or, during periods of transitional committee restructuring, directly to the Board of Directors) in exceptional cases. No complaints or disclosures under this mechanism were received during the Financial Year 2025–26.

**23. Corporate Social Responsibility (Section 135 & Section 134(3)(o))**

During the Financial Year 2025-26, the Company did not meet any of the threshold criteria prescribed under Section 135(1) of the Companies Act, 2013 (viz., Net Worth of ₹500 Crore or more, or Turnover of ₹1,000 Crore or more, or Net Profit of ₹5 Crore or more during the immediately preceding financial year). Accordingly, the provisions relating to the constitution of a CSR Committee and CSR expenditure are **not applicable** to the Company.

**24. Particulars of Employees & Managerial Remuneration (Section 197(12) & Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

The disclosures pertaining to the ratio of remuneration of Directors to the median remuneration of employees and other details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not Applicable for the Financial Year 2025–26, on account of the absence of managerial remuneration paid to executive directors during the year under review.

Further, during the Financial Year 2025–26, no employee of the Company was in receipt of remuneration aggregating to ₹1,02,00,000/- or more per annum (if employed throughout the year) or ₹8,50,000/- or more per month (if employed for part of the year) as contemplated under Rule 5(2) and Rule 5(3) of the said Rules. Consequently, no statement particulars are required to be annexed.

**25. Prevention of Sexual Harassment of Women at Workplace (POSH Act, 2013 & Rule 8(5)(x))**

The Company has zero tolerance for sexual harassment at the workplace and has complied with the provisions relating to the constitution of the **Internal Complaints Committee (ICC)** under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- Number of complaints filed during FY 2025-26: **Nil**
- Number of complaints disposed of during FY 2025-26: **Nil**
- Number of complaints pending as at the end of FY 2025-26: **Nil**

**26. Mandatory Confirmations under Rule 8(5)(vii), (xi), and (xii) of the Companies (Accounts) Rules, 2014**

1. **Significant and Material Orders Passed by Regulators or Courts (Rule 8(5)(vii)):** During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future

   *(Note: The ROC Mumbai Order dated September 19, 2026 granted a 1 month 15 days extension for the 12th AGM under Section 96(1) with a standard advisory to exercise caution in future compliance)*.
2. **Insolvency and Bankruptcy Code, 2016 (Rule 8(5)(xi)):** No application has been made nor is any proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the Financial Year 2025-26.
3. **One-Time Settlement Valuation (Rule 8(5)(xii)):** During the Financial Year 2025-26, the Company did not enter into any one-time settlement with any Bank or Financial Institution; hence, the disclosure regarding the difference between the amount of valuation done at the time of one-time settlement and the valuation done while taking a loan is not applicable.
4. **Corporate Governance Exemption (Regulation 15(2) of SEBI LODR):** Since the Equity Shares of the Company are listed on the SME Platform of BSE Limited, by virtue of Regulation 15(2)(b) of the SEBI (LODR) Regulations, 2015, the compliance with the Corporate Governance provisions as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V is exempted.

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

**28. Acknowledgements:**
Your Directors express their grateful appreciation for the assistance, cooperation, and support extended by BSE Limited, SEBI, the Ministry of Corporate Affairs, Registrar of Companies (Mumbai), Depositories (NSDL & CDSL), Bankers, Customers, Vendors, and the Shareholders of the Company.

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

FOR MILESTONE FURNITURE LIMITED
DIRECTOR

**Akshay Sharma**
*Additional Director*
*DIN: 10701657*

FOR MILESTONE FURNITURE LIMITED
DIRECTOR

**Vaishali Balasaheb Jagtap**
*Additional Director*
*DIN: 10943315*

**Date:** October 29, 2026
**Place:** Chandigarh

**Annexure-I**

**Form No. AOC-2 (Related Party Transactions)**

*(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL** (During FY 2025-26, the Company did not enter into any contract or arrangement with related parties which was not at arm's length).

2. **Details of material contracts or arrangement or transactions at arm's length basis: NIL**
   *(During the Financial Year 2025–26, the Company has not entered into any commercial contracts or arrangements falling under Section 188(1) of the Companies Act, 2013. Details of loan/financial transactions and closing balances with Key Managerial Personnel (Mr. Mayank Rasiklal Kotadia and Mr. Akshay Sharma) as required under the applicable Accounting Standards are disclosed in the Notes to the Audited Financial Statements*.)

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

FOR MILESTONE FURNITURE LIMITED
DIRECTOR

**Akshay Sharma**
*Additional Director*
*DIN: 10701657*

FOR MILESTONE FURNITURE LIMITED
DIRECTOR

**Vaishali Balasaheb Jagtap**
*Additional Director*
*DIN: 10943315*

**Date:** October 29, 2026
**Place:** Mumbai

**Annexure-II**

**Management Discussion and Analysis Report (Schedule V, Para B of SEBI LODR)**

### 1. Industry Structure and Developments

The Indian furniture, interior design, and workspace solutions sector is undergoing a profound structural transition. The market is steadily shifting from unorganized regional carpentry toward organized, certified, and branded modular office, institutional, and residential solutions.

Milestone Furniture Limited ("the Company") is an established manufacturer of office furniture and provider of comprehensive spatial, educational, and commercial interior designing solutions. Over the years, the Company has built a reputation for quality, durability, and functional design, positioning itself as a reliable player catering to both corporate enterprises and institutional clients, primarily anchored in the Mumbai region and expanding across regional markets.

### 2. Segment-wise or Product-wise Performance

During the financial year 2025–26, the Company navigated a transitional operational landscape characterized by capital restructuring and strategic realignment:

- **Office & Institutional Furniture Segment**: Demand in the institutional office furniture segment remained subdued due to cautious corporate spending, optimized facility management, and the prolonged prevalence of hybrid and remote work models. The Company focused on delivering ergonomic and functional workstation designs while rationalizing legacy commitments.
- **Home Furnishing & Residential Expansion:** In alignment with shifting consumer preferences and urbanization trends favoring compact, multifunctional, and aesthetically styled residential interiors, the Company continued to evaluate retail and residential product diversification to capture emerging retail demand.

### 3. Opportunities, Threats, Risks, and Concerns

- **Opportunities:**
  - **Urbanization and Real Estate Growth**: Expanding commercial infrastructure, residential housing developments, and modernization of educational institutions create sustained demand for modular furniture solutions.
  - **Strategic Capital Restructuring**: The proposed enhancement of the Authorised Share Capital, implementation of ESOP 2026, and settlement of legacy debt/debenture obligations provide a robust platform for operational revival.
  - **Sustainability and Design Innovation**: Growing awareness regarding eco-friendly materials and sustainable manufacturing practices presents an opportunity to introduce certified green product lines.
- **Threats, Risks, and Concerns:**
  - **Input Cost Volatility**: Price fluctuations in raw materials (engineered wood, hardware, laminates, and metallic components) can exert pressure on operating margins.
  - **Intense Market Competition**: Competition from both unorganized local fabricators and large-scale national/international brands requires continuous product differentiation and cost optimization.

- **Working Capital Constraints**: Managing liquidity, vendor credit cycles, and working capital deployment remains critical for scaling execution capacity**.**

### 4. Outlook for the Future

Looking ahead to FY 2026–27 and beyond, the management remains optimistic about the Company's growth potential. With the proposed comprehensive capital restructuring, debt rationalization, and induction of seasoned professional and independent leadership on the Board, the Company aims to revive full-scale manufacturing and commercial operations. The focus will remain on enhancing operational efficiencies, strengthening supply-chain partnerships, diversifying product portfolios, and delivering sustainable long-term value to shareholders.

### 5. Internal Control Systems and Their Adequacy

The Company maintains an internal control framework commensurate with its size, scale, and nature of operations. These systems are designed to ensure the safeguarding of assets against unauthorized use, accurate recording of financial transactions, and strict adherence to applicable regulatory compliances. The internal control mechanisms are periodically reviewed by the management, internal auditors, and the Audit Committee to ensure operational integrity and financial reporting reliability.

### 6. Discussion on Financial Performance with Respect to Operational Performance

- Revenue and Operations: During the financial year ended March 31, 2026, the Company recorded Nil revenue from operations as it underwent crucial administrative restructuring, ownership transition stabilization, and capital realignment.
- Financial Results: The net loss for FY 2025–26 stood at **1697.54** Lakhs, primarily comprising fixed statutory compliance overheads, administrative expenses, and depreciation.

- Earnings Per Share (EPS): Basic and Diluted EPS for FY 2025–26 stood at ₹-18.62

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

FOR MILESTONE FURNITURE LIMITED
DIRECTOR

**Akshay Sharma**
*Additional Director*
*DIN: 10701657*

FOR MILESTONE FURNITURE LIMITED
DIRECTOR

**Vaishali Balasaheb Jagtap**
*Additional Director*
*DIN: 10943315*

**Date:** October 29, 2026
**Place:** Chandigarh