

10th August, 2018

To,
The Manager – Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051.

Reference: - Omfurn India Limited
NSE Code - OMFURN
ISIN: INE338Y01016.

Sub: Annual Report of Omfurn India Limited for the financial year 2017-18.

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find attached herewith the Annual Report for the Financial Year ended 31st March, 2018 as approved and adopted in the 21st Annual General Meeting of the Company held on 10th August, 2018.

Kindly take the same on record.

Thanking You,

Yours faithfully,
For Omfurn India Limited

D P Shah

Ms. Dhara P Shah
Company Secretary





OMFURN INDIA LIMITED

21st

ANNUAL REPORT
2017 - 2018



Presenting

Labradoors

A superior breed of
Doors From Omfurn



CORPORATE INFORMATION**BOARD OF DIRECTORS****NAME OF DIRECTORS****DESIGNATION**

MR. RAJENDRA C VISHWAKARMA	MANAGING DIRECTOR
MR. MAHENDRA C VISHWAKARMA	WHOLE TIME DIRECTOR
MR. NARENDRA C VISHWAKARMA	DIRECTOR
MR. MAHESH R PANCHAL	DIRECTOR
MR. PARAG S EDWANKAR	INDEPENDENT DIRECTOR (W.E.F 27.06.2017)
MR. UMESH M DESAI	INDEPENDENT DIRECTOR (W.E.F 27.06.2017)
MR. SUDHIR J SHAH	INDEPENDENT DIRECTOR (W.E.F 27.06.2017)
MS. SONALI M. GANDRE	INDEPENDENT DIRECTOR (W.E.F 27.06.2017)

CHIEF FINANCIAL OFFICER**REGISTERED OFFICE:**

MR. MAHENDRA C VISHWAKARMA

109, GUNDECHA INDUSTRIAL COMPLEX,
AKURLI ROAD, KANDIVALI EAST, MUMBAI - 400101**COMPANY SECRETARY****MANUFACTURING SITE:**

MS. DHARA P SHAH

PLOT NO. 6, 7 & 8, 52 HECTOR, EXPANSION AREA,
NEW GIDC, UMBERGAON - 396171, GUJARAT**STATUTORY AUDITORS****REGISTRAR AND SHARE TRANSFER AGENT**

M/S. MEHTA BHARAT & ASSOCIATES

BIGSHARE SERVICES PRIVATE LIMITED,
ADDRESS : 1ST FLOOR, BHARAT TIN WORKS
BUILDING, OPP. VASANT OASIS APARTMENTS,
MAROL MAROSHI ROAD, ANDHERI EAST,
MUMBAI – 400059
PHONE: 022 – 62638200**BANKER**

UNION BANK OF INDIA

INDEX

Sr. No.	Contents	Page No.
1	Notice of AGM	3
2	Directors' Report	10
3	Auditors' Report	30
4	Balance Sheet	36
5	Statement of Profit & Loss	37
6	Cash Flow Statement	38
7	Notes to Financial Statements	44

CHAIRMAN'S SPEECH

Dear Shareholders,

At the outset, I would like to thank all our esteemed shareholders for their overwhelming support to the IPO of Omfurn India Limited. I am humbled by the response.

The journey of Omfurn India Limited began two decades back with humble start by Mahendra Vishwakarma and me from a non business family but a strong will and a desire to dream big. It was a journey full of ups and downs but the entrepreneurial spirit was always high. The path has transpired from a small business to Omfurn India Limited which is now Listed with SME Emerge Platform of National Stock Exchange of India Limited with more than 190 shareholders and a dedicated and highly motivated workforce of approximately 195 employees.

It was a leap of faith and our endeavour to enter the capital market but I am sure it would be your trust and faith that would take the Company at the next level as we together embark on this journey of growth and prosperity.

As we prepare to lay a strong foundation for the future, we would need to plough back the profits and therefore your company is not in a position to declare any dividend this year.

There was a temporary turbulence with the set up of new factory at Umergaon however we have successfully set up a new plant.

I would like to place on record my appreciation to the Bankers to the Company, customers, my employees and consultants for their valuable support and look forward to their continued co-operation in the years to come.



With Warm Regards

Rajendra C Vishwakarma
Chairman

NOTICE

Notice is hereby given that the 21ST Annual General Meeting ("AGM") (**First AGM Post-IPO**) of the members of Omfurn India Limited (the "Company") (Formerly known as Omfurn India Private Limited) will be held on Friday, August 10, 2018 at 11.00 a.m. at the Registered Office of the Company at 109, Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai-400101 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 along with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Mahendra C Vishwakarma (DIN: 00096586), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Mehta Bharat & Associates, Chartered Accountants (ICAI Firm Registration No. 106192W), be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting on such remuneration as may be decided by the Board of Directors and the Auditors."

SPECIAL BUSINESS:

4. To approve Material Related Party transactions and to consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including, any statutory modification(s) or amendment thereto or re-enactment thereof, for the time being in force), Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the Memorandum of Association and Articles of Association of the Company, and other applicable statutory provisions and regulations, if any, as amended from time to time, consent of the Members of the Company be and is hereby accorded for the below mentioned material related party transactions entered into by the Company with R.M. Enterprises on arm's length basis and in the ordinary course of business in relation to sale, purchase or supply of any goods or materials:

Sr. No.	Description of Related Party Transactions	Amount of Transaction (in ₹)
1	Sale of Finished Goods	6,28,99,010/-
2	Purchase of Materials	17,68,873/-

RESOLVED FURTHER THAT, Mr. Mahesh Panchal, Director and Mr. Umesh Desai, Ms. Sonali Gandre, both Independent Directors be and are hereby severally authorised to do all such acts, deeds, things and sign such documents, undertakings and writings, file necessary e-forms with ROC as may be necessary for giving effect to the above resolution."

By Order of the Board of Directors
Omfurn India Limited

Dhara Pratik Shah
Company Secretary

Place: Mumbai
Date: May 11, 2018

Registered Office:
109, Gundecha Industrial Complex,
Akurli Road, Kandivali (East),
Mumbai - 400 101

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act 2013, in respect of special business under Item No.4 of the accompanying notice, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 (fifty) members provided shareholding of those members in aggregate should not be more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. The instrument of Proxy in order to be effective and valid, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with the specimen signature(s) of their representative(s) who are authorized to attend and vote on their behalf at the AGM.
5. During the period beginning 24 hours before the time fixed for commencement of the AGM and until the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. Members, Proxies and Authorized Representatives are requested to bring to the AGM, the attendance slips enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/ Folio No., along with their copy of the Annual Report at the time of attending the Meeting.
7. In case of joint holders attending the AGM, the joint holder who is highest in the order of names will be entitled to vote at the AGM.
8. All the documents referred to in the accompanying notice and the explanatory statement are open for inspection at the Registered Office of the Company between 10.00 a.m. to 1.00 p.m. on any working day except Saturdays and Sundays up to the date of this AGM of the Company.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the AGM.
10. The Register of Members & Share Transfer Books of the Company will remain closed from Saturday, August 4, 2018 to Friday, August 10, 2018 (both days inclusive) in connection with the AGM.
11. The members are requested to notify change of address, E-mail id's, if any, and to make all correspondence in connection with shares held by them to the Company or to the Company's Registrar and Transfer Agent viz. Bigshare Services Private Limited, having its office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, Maharashtra 400059 quoting their Folio number or their Client ID number with DPID number, as the case may be.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
13. Details pursuant to Regulation 36 of the SEBI (LODR) Regulations, 2015 read with Secretarial Standards-2 in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
14. The notice of AGM along with Annual Report for 2017-18 is being sent by electronic mode to all the members whose email IDs are registered with the Company/Depository Participant(s) unless any member has requested for a physical copy of the same. For members who have not registered their email addresses, physical copies are being sent by the permitted mode.
15. This notice is being sent to all members of the Company whose name appears in the Register of Members/list of beneficiaries received from the depositories on the end of Friday, August 3, 2018.

16. Please note that members can opt for only one mode of voting i.e., either by voting at the meeting or remote E-voting. If Members opt for remote E-voting, then they should not vote at the meeting and vice versa. However, once an e-vote on a resolution is cast by a member, such member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote E-voting prior to the date of the meeting can attend the meeting and participate in the meeting, but shall not be entitled to cast their vote again.
17. A route map showing directions to the venue of the 21st AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings".
18. All members are requested to support Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses to receive all these documents electronically from the Company in accordance with Rule 18 of the Companies (Management & Administration) Rules 2014 and Rule 11 of the Companies (Accounts) Rules 2014. All the aforesaid documents have been uploaded on and are available for download from the Company's website, being www.omfurnindia.com. Members are requested to kindly bring their copy of Annual Report at the meeting.
19. Voting through Electronic Means:

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide its Members the facility of remote E-voting to exercise their right to vote at the 21st AGM. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The Board has appointed Mr. Prashant S. Mehta, Practicing Company Secretary (Membership No. A5814; COP: 17341), to act as the Scrutinizer for the meeting, to scrutinize the entire E-voting and the voting process in a fair and transparent manner.

Instructions for members for voting electronically are as under:

- (i) The voting period begins on Tuesday, August 7, 2018 (9.00 a.m.) and ends on Thursday, August 9, 2018 (5.00 p.m.). During this period all the shareholders' of the Company, holding shares in dematerialized form as well as physical form, as on the cut-off date i.e. Friday, August 3, 2018 may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).-</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the Member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for E-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Omfurn India Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

20. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days from the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, and submit to the Chairman or a person authorized by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
21. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.omfurnindia.com and on website of CDSL e-Voting www.evotingindia.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to SME Emerge Platform, of National Stock Exchange of India Limited, where the shares of the Company are listed.

22. The resolutions proposed will be deemed to have been passed on the date of the AGM subject to the receipt of the requisite number of votes in favor of the resolutions.

23. Members are requested to bring attendance slip alongwith the copy of the Annual Report at the meeting.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

Item No 4:

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") provides for obtaining approval of the Shareholders for entering into material related party transactions as provided therein. Further, in terms of the provisions of Section 188(1) of the Companies Act, 2013 read with Rules framed thereunder, for entering into related party transactions where the transaction value exceeds the thresholds prescribed, prior approval of the Shareholders by way of an Ordinary Resolution is required.

Accordingly, in terms of the provisions of the SEBI Regulations and the Companies Act, 2013, approval of the Shareholders of the Company is being sought by way of an Ordinary Resolution set out at Item No. 4 of this Notice.

Pursuant to the requirements prescribed under the Companies (Meetings of the Board and its Powers) Rules, 2014, as amended from time to time, the details in relation to the transactions with related parties on arm's length basis and in ordinary course of business, is as under:

Name of the Related Party	Nature of Transaction as per Section 188 of the Companies Act, 2013	Name of the Director or Key Managerial Personnel who is interested	Nature of Relationship	Material Terms and particulars of the Contract	Monetary value (in Rs)	Any other information
R.M. Enterprises	Sale of Finished Goods	Rajendra C. Vishwakarma & Mahendra C. Vishwakarma	Rajendra C. Vishwakarma & Mahendra C. Vishwakarma are the partners of the partnership Firm	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	6,28,99,010/-	None
R.M. Enterprises	Purchase of Materials	Rajendra C. Vishwakarma & Mahendra C. Vishwakarma	Rajendra C. Vishwakarma & Mahendra C. Vishwakarma are the partners of the partnership Firm	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	17,68,873/-	None

Except Mr. Rajendra C. Vishwakarma, Mr. Mahendra C. Vishwakarma, Mr. Narendra C. Vishwakarma & their relatives none of the other Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested in the aforesaid Ordinary Resolution set out at Item No. 4 of this Notice.

Your Directors recommend the Ordinary Resolution proposed at Item No. 4 of this Notice for your approval.

ANNEXURE TO ITEM NO. 2 OF THE NOTICE

Details of Director seeking Re-appointment at the ensuing Annual General Meeting

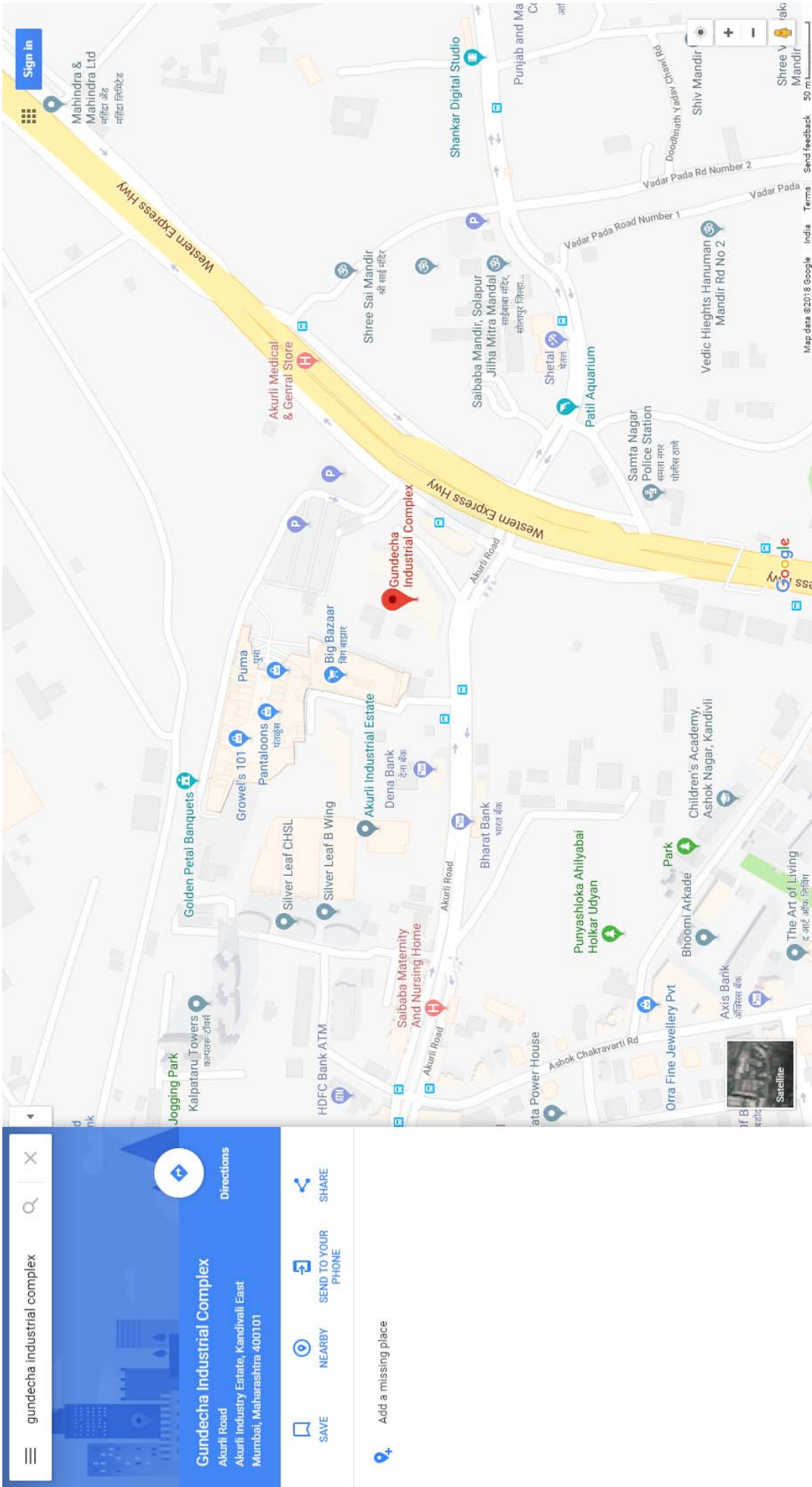
(In pursuance of Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

Name of Director	Mr. Mahendra Chitbahal Vishwakarma
Director Identification Number (DIN)	00096586
Date of birth	28 th April, 1965
Nationality	Indian
Date of Appointment on Board	13 th November, 1997
Relationships between Directors Inter-se	Mr. Rajendra Vishwakarma and Mr. Narendra Vishwakarma are related as brothers
Area of Experience	Business experience in Banking & Finance as well as administration
Shareholding in Omfurn India Limited	14,00,000 equity shares
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	NIL
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL

ROUTE MAP TO THE VENUE OF 21st ANNUAL GENERAL MEETING OF
OMFURN INDIA LIMITED

VENUE

109, Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai - 400101



DIRECTORS' REPORT

Dear Members,

Omfurn India Limited
(Formerly known as Omfurn India Private Limited)

Your Directors present the 21st Annual Report (First Report as a Public Listed Company) on the business and operations of Omfurn India Limited ("the Company") along with the audited financial statements, for the Financial Year ended March 31, 2018.

1. **FINANCIAL PERFORMANCE:**

The financial performance of the Company during the year under review is summarised below:

(₹ in Lakhs)

Particulars	2017-18	2016-17
Revenue from Operations (A)	3367.80	2819.06
Expenditure		
Production Costs	2483.17	1967.73
Employee Benefit Expenses	256.43	243.30
Administration and other Costs	220.41	195.30
Sub Total (B)	2960.01	2406.33
Profit (Loss) before Interest and Depreciation (A-B)	407.79	412.73
Finance Cost	72.36	79.69
Depreciation	85.34	95.60
Profit (Loss) before Tax	250.09	237.44
Tax Expenses	60.09	76.50
Profit(Loss) after Tax	190.00	160.94
Add: Opening balance of profit and Loss Account	1072.57	1361.63
Less: Utilised for Issue of Bonus Shares	—	(450.00)
Balance Carried to Balance Sheet	1262.57	1072.57

2. **COMPANY'S PERFORMANCE REVIEW:**

During the year under review, the revenue from operations of the Company is ₹ 3,296.64 Lakhs as against ₹ 2,723.44 Lakhs in the previous year-a growth of 21.05%. The profit before tax of the Company is ₹ 250.09 Lakhs as against ₹ 237.43 Lakhs in the previous year a growth of 5.33%. The Company's policy of product innovation and the range of new products already introduced would yield sustainable profitability in the long run.

3. **DIVIDEND:**

During the year under review, the Directors have not recommended any dividend, to strengthen the financial position of the Company.

4. **HOLDING, SUBSIDIARIES AND ASSOCIATES:**

The Company does not have any holding, subsidiary and associate Company.

5. **TRANSFER TO RESERVES:**

During the year under review, the Company has not transferred any amount to Reserves.

6. **PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, wherever applicable, are given in the notes to financial statements.

7. OTHER DISCLOSURES UNDER THE COMPANIES ACT, 2013:**i. EQUITY SHARE CAPITAL:**

The Company entered the capital market with its Initial Public Offering (IPO) of 18,12,000 equity shares of face value of ₹ 10/- and at a premium of ₹ 13/- per share, aggregating to ₹ 4,16,76,000. The holding of promoters is 73.40% and public is 26.60%.

Background on the IPO of the Company:

The issue opened for subscription on September 29, 2017 and closed on October 5, 2017 in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. The equity shares have been listed on the **SME Emerge Platform of National Stock Exchange of India Ltd (NSE) w.e.f. October 13, 2017**. Consequently, the Company's paid up share capital has increased from ₹ 5,00,00,000/- to ₹ 6,18,12,000/-. Your Directors are pleased to inform that the IPO of the Company was fully subscribed with an over-subscription to the extent of 1.33 times over the issue size. The response from investors was really very encouraging.

ii. EXTRACT OF THE ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of Annual Return is annexed herewith in "**Annexure-A**".

iii. BOARD MEETINGS:

During the year under review, the Board of Directors met 5 (five) times on May 23, 2017, June 24, 2017, August 18, 2017, October 10, 2017 and January 27, 2018. The time gap between two Board meetings did not exceed 120 days.

iv. GENERAL MEETINGS:

During the year under review, there were 3 (three) Extra Ordinary General Meetings held on May 30, 2017, June 27, 2017 and August 23, 2017.

v. COMMITTEES OF THE BOARD:

The Board had constituted various committees which are as follows:

a. Audit Committee:

The Company has constituted an Audit Committee, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Committee presently comprises of following three (3) Directors:

Name of the Directors	Status	Nature of Directorship
Mr. Umesh Madhukar Desai	Chairman	Non-Executive and Independent Director
Mr. Sudhir Jayantilal Shah	Member	Non-Executive and Independent Director
Mr. Rajendra Chitbahal Vishwakarma	Member	Managing Director

The Role and powers of the committee are as under:

- 1) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors Responsibility Statement in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.

- d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
- 5) Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.
 - 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - 7) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
 - 8) Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
 - 9) Scrutiny of inter-corporate loans and investments.
 - 10) Valuation of undertakings or assets of the Company, wherever it is necessary.
 - 11) Evaluation of internal financial controls and risk management systems.
 - 12) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 - 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - 14) Discussion with internal auditors on any significant findings and follow up there on.
 - 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 - 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - 18) To review the functioning of the Whistle Blower mechanism, in case the same exists.
 - 19) Approval of appointment of CFO or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
 - 20) To overview the Vigil Mechanism of the Company and take appropriate actions in case of repeated frivolous complaints against any Director or Employee.
 - 21) To implement Ind AS (Indian Accounting Standards), whenever required.
 - 22) Monitoring the end use of funds raised through public offers and related matters.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

23) Statement of deviations:

- a) Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

POWERS OF THE AUDIT COMMITTEE:

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

b. **Stakeholder Relationship Committee:**

The Company has constituted a Stakeholders Relationship Committee as per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015. The Committee presently comprises of following three (3) Directors:

Name of the Directors	Status	Nature of Directorship
Mr. Sudhir Jayantilal Shah	Chairman	Non-Executive and Independent Director
Mr. Umesh Madhukar Desai	Member	Non-Executive and Independent Director
Mr. Rajendra Chitbahal Vishwakarma	Member	Managing Director

The Stakeholder Relationships Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Investor Grievance Committee include the following:

1. Redressal of shareholders'/investors' complaints;
2. Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
4. Non-receipt of declared dividends, balance sheets of the Company; and
5. Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

c. **Nomination and Remuneration Committee:**

The Company has constituted a Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Committee presently comprises of following three (3) Directors:

Name of the Directors	Status	Nature of Directorship
Mr. Parag Shrikrishna Edwanakar	Chairman	Non-Executive and Independent Director
Mr. Sudhir Jayantilal Shah	Member	Non-Executive and Independent Director
Mr. Umesh Madhukar Desai	Member	Non-Executive and Independent Director

ROLE OF THE COMMITTEE:

Role of Nomination and Remuneration Committee are as under:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other associates.
- b) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- c) Devising a policy on diversity of Board of Directors.

- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- e) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- f) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

vi. **CHANGES IN NATURE OF BUSINESS:**

There has been no change in the nature of business of the Company during the financial year ended March 31, 2018.

vii. **RELATED PARTY TRANSACTIONS:**

All the Related Party Transactions are entered are in the ordinary course of business and at an arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations. There are materially significant Related Party Transactions made by the Company with Promoters.

Omnibus approval is given by Audit Committee for the transactions which are foreseen and are repetitive in nature. A statement of all Related Party Transactions is presented before the Audit Committee and the Board on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. The said transactions were unanimously approved by the Audit Committee as well as by the Board.

In accordance with Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of material contract or arrangement entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 in **FORM AOC-2** is annexed as "**Annexure B**".

8. WHISTLE BLOWER POLICY/VIGIL MECHANISM:

In compliance with the requirement of the Companies Act, 2013 and SEBI Listing Regulations, the Company has established a Whistle Blower Policy / Vigil Mechanism Policy and the same is placed on the web site of the Company viz. www.omfurnindia.com

A fraud and corruption free environment in a Company is the objective and in view of that, a Vigil Mechanism (Whistle Blower) Policy has been adopted by the Board for Directors and employees, which is uploaded on the website of the company www.omfurnindia.com pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. No complaint of this nature has been received by the Audit Committee during the year under review.

9. STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS AND FRAUD, IF ANY:

As per the requirements of the Companies Act, 2013 the Audit Committee and the Board of Directors at their meeting held on May 11, 2018 appointed M/S. Mehta Bharat & Associates, Chartered Accountants (Firm Registration No. 106192W) as Statutory Auditors of the Company from the conclusion of this AGM till the conclusion of next AGM.

Further, the report of the Statutory Auditors along with the notes is enclosed with the financial statements. The observations made in the Auditors' Report which contains unmodified opinion are self-explanatory and does not contain any qualification/modified opinion. Therefore, it does not call for any further comments. Also the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

10. SECRETARIAL AUDITOR:

Pursuant to Section 204 of the Companies Act, 2013 the Board of Directors had appointed Mr. Prashant S. Mehta, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the period 2017-18. The Secretarial Audit Report is attached to this report as "**Annexure-C**". The Secretarial Audit Report does not contain any qualification, reservation, adverse remark. Therefore, it does not call for any further comments.

11. UPDATES ON BOARD OF DIRECTORS/KEY MANAGERIAL PERSONNEL (KMP):

a) **PERFORMANCE EVALUATION:**

In compliance with the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the annual evaluation has been carried out by the Board of its own performance, of its committees and Directors by way of individual and collective feedback from Directors. The Directors expressed their satisfaction with the evaluation process.

b) DIRECTORS AND KEY MANAGERIAL PERFORMANCE:

The Composition of the Board of Directors and Key Managerial Personnel are as follow.

Sr. No	Name of the Director	Designation
1.	Mr. Rajendra C Vishwakarma	Managing Director
2.	Mr. Mahendra C Vishwakarma	Whole time Director & Chief Financial Officer
3.	Mr. Narendra C Vishwakarma	Director
4.	Mr. Mahesh R Panchal	Director
5.	Mr. Umesh M Desai	Independent Director
6.	Mr. Sudhir J Shah	Independent Director
7.	Mr. Parag S Edwankar	Independent Director
8.	Ms. Sonali M Gandre	Independent Woman Director
9.	Ms. Dhara P Shah	Company Secretary

During the year under review, Mr. Ravindra C Vishwakarma and Mr. Nareshchandra Berawala resigned from the Board with effect from June 24, 2017.

RETIREMENT OF DIRECTOR BY ROTATION:

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Mahendra C Vishwakarma , (DIN: 00096586), Whole Time Director is liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, he has offered himself for re-appointment. Accordingly, the proposal for his re-appointment has been included in the Notice convening the Annual General Meeting of the Company.

A brief resume of Mr. Mahendra C Vishwakarma seeking re-appointment is enclosed consisting nature of expertise in specific functional areas and name of companies in which they hold directorship and/or membership/ chairmanships of committees of the respective Boards, shareholding and relationship between directorship inter-se as stipulated under Reg. 36(3) of the SEBI (LODR) Regulations, 2015, are given in the section of notice of AGM forming part of the Annual Report.

c) CODE OF CONDUCT:

The Company has formulated a code of conduct for Board of Directors and Senior Managerial Personnel. The confirmation of compliance of the same is obtained from all concerned on an annual basis. All Board Members and Senior Managerial Personnel have given their confirmation of compliance for the year under review. The code of conduct for Directors and Senior Managerial Personnel is also placed on the website of the Company viz. www.omfurnindia.com.

d) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company proactively keeps its Directors informed of the activities of the Company, its management, operations and provides an overall industry perspective as well as issues faced by the industry. The Policy on Familiarization Programme adopted by the Board and details of the same are available on the Company's website under the Investors Relations section at www.omfurnindia.com.

12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this report and is attached as "**Annexure-D**".

13. DEPOSITS:

As per Section 73 of the Companies Act, 2013 the Company has not invited/ accepted any deposits from the public during the year ended March 31, 2018.

14. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company as the Company does not fall under the criteria prescribed.

15. CORPORATE GOVERNANCE:

Since the Company's securities are listed on SME Emerge Platform of National Stock Exchange of India Limited, by virtue of Regulation 15 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 the compliance

with the corporate governance provisions as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V are not applicable to the Company. Hence corporate governance does not form part of this Boards' Report.

16. INTERNAL FINANCIAL CONTROL WITH REFERENCE TO FINANCIAL STATEMENTS:

The Company has adequate internal financial control procedure commensurate with its size and nature of business. These controls include well defined policies, guidelines, standard operating procedure, authorization and approval procedures. The internal financial control of the company are adequate to ensure the accuracy and completeness of the accounting records, timely preparation of reliable financial information, prevention and detection of frauds and errors, safeguarding of the assets, and that the business is conducted in an orderly and efficient manner.

17. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review, there have been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

18. RISK MANAGEMENT:

The Company has developed and implemented a Risk Management Policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by the Board and is also subject to its review from time to time.

19. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013 :

In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up Complaints Committee at its workplaces. No complaints have been received during the Financial Year 2017-18.

20. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Board of directors has adopted the code of Internal Procedures and Conduct for regulating, monitoring and reporting trading by designated persons in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said code lays down guidelines and procedures to be followed, and disclosures to be made while dealing with the securities of the Company. The Code of fair disclosure of unpublished price sensitive information is available on the Company's website under the Investors Relations section at www.omfurnindia.com.

21. PARTICULARS OF EMPLOYEE:

The Company has no employee who is in receipt of remuneration of Rs.8,50,000/-per month or Rs.1,02,00,000/- per annum and hence the Company is not required to give information under Sub Rule 2 and 3 of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosure under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are disclosed in "Annexure E"

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. CONSERVATION OF ENERGY:

(a) Steps taken or impact on conservation of energy;

The Company had strict control systems to monitor day to day power consumption. It also ensured optimal use of energy with minimum extent of wastage as far as possible. The day to day consumption is monitored in an effort to save energy and control cost. The Company has achieved a reduction in energy consumption with the use of transparent insulated roof top.

(b) Steps taken by the company for utilising alternate sources of energy;

With the setup of Solar Plant at the new unit at Umbergaon factory, the Company was able to reduce energy consumption to a larger extent. This has resulted in savings in cost by use of alternate source of energy.

(c) Capital investment on energy conservation equipments;

The Company has incurred an investment of ₹ 53.09 Lakhs for installing Solar Plant at the new unit at Umbergaon factory. This investments in Solar Plant has helped the Company to generate electricity as an alternate source of energy and reduce electricity cost incurred in factory to a great extent.

B. TECHNOLOGY ABSORPTION:**(i) Efforts made towards technology absorption:**

The Company is continuously updating itself to standardize and install required machinery for manufacturing and quality control. The company has installed machinery at its new manufacturing unit at Umbergaon Factory.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution;

High quality standards helps in maintaining a better image in the market and has helped in improving the marketability of the products. There is a comprehensive quality control to ensure that the Company's products meet international standards.

(iii) In case of imported technology:**(a) Details of technology imported and year of Import;**

The Company has placed orders of ₹ 179.61 lakhs in 2017 for the import of the following machines:

- Linear Sander Machine;
- Hydraulic Hot Press;
- Cleaning Unit VEN CLEAN AIR & Spray Machine VEN SPRAY SMART;
- Multi Purpose Surface Sanding Machine;

(b) Whether the technology been fully absorbed;

The Company has under taken expansion at the existing plot at GIDC Umbergaon to manufacture door frames, shutters predominantly for the real estate sector. The commissioning of the indigenous and imported machinery as well as trial run is completed and the commercial production has commenced.

**(c) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:
- Not Applicable.****(d) Expenditure incurred on Research and Development:**

During the year under review, the Company has not incurred any expenses towards Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of foreign exchange earnings and outgo are as under: (₹ in Lakhs)

Particulars	2017-2018
Foreign Exchange Earned	NIL
Foreign Exchange used for Import Purchase and Capital Goods	263.50

23. REVIEW OF A STATEMENT ON THE USAGE OF THE PROCEEDS OF THE ISSUE:

Your Company has raised funds from Initial Public Offer (IPO) aggregating to ₹ 4,16,76,000 by issuing 18,12,000 equity shares at ₹ 23/- per share. The funds were used to meet share issue expenses of ₹ 58,04,530/-. During the year under review, your company has under taken expansion at the existing plot at GIDC Umbergaon to manufacture door frames, shutters predominantly for the real estate sector. The Construction work for the proposed project, erection of plant and machineries, commissioning as well as trial run is completed. The company has incurred a total cost of ₹ 7,08,86,104/- for capital expansion which is shown as "Capital Work in Progress" in Balance Sheet as at March 31, 2018. The balance amount of proceeds of the IPO was used partly for investments in Capital Work in Progress and partly for meeting working capital needs of the company.

24. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134 (3) (c) of the Companies Act, 2013, with respect to Directors' the Directors state that:

- a. In the preparation of the Annual Accounts for the period ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. 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 at the end of the financial year and of the profit of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the Annual Accounts on a going concern basis; and
- e. 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.

25. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Banker and other authorities to the Company for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

FOR OMFURN INDIA LIMITED

RAJENDRA C. VISHWAKARMA
CHAIRMAN & MANAGING DIRECTOR
DIN 00091492

Date: May 11, 2018
Place: Mumbai

ANNEXURE A TO DIRECTORS' REPORT**Form No. MGT-9****Extract of Annual Return****As on the financial year ended on March 31, 2018**

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

I. REGISTRATION AND OTHER DETAILS

1	CIN	U20200MH1997PTC111887
2	Registration Date	13/11/1997
3	Name of the Company	OMFURN INDIA LIMITED (Formerly known as Omfurn India Private Limited)
4	Category/Sub-Category of the Company	Company Limited by Shares
5	Address of the Registered office and contact details	109, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai- 400101 Contact Details: Ph No: 022-42108900 Email ID : omfurn@omfurnindia.com Website : www.omfurnindia.com
6	Whether listed Company (Yes/No)	YES / No
7	Name, Address and Contact details of the Registrar & Transfer Agent, if any	Bigshare Services Private Limited Add : 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Andheri (East), Mumbai - 400059 Contact : 022 6263 8200

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company, on standalone basis, are as under:

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Manufacturing of Modular Furniture	31001	100%
2	Construction of buildings repairs, alteration etc.	41001	

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	Applicable Section
1.	Not Applicable			

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**a) Category-wise Share Holding**

Category of shareholders	No. of shares held at the beginning of the year As on 31-March - 2017				No. of shares held at the end of the year As on 31-March - 2018				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	28,00,000	28,00,000	56	28,00,000	0	28,00,000	41.10	(14.90)*
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other (Relatives)	0	22,00,000	22,00,000	44	22,00,000	0	22,00,000	32.30	(11.70)*
Total shareholding of Promoter (A)	0	50,00,000	50,00,000	100	50,00,000	0	50,00,000	73.40	(26.60)*

B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	0	0	0	0	10,20,000	0	10,20,000	14.97	14.97
i) Individual shareholders holding nominal share capital in excess of Rs.2 lakh	0	0	0	0	5,04,000	0	5,04,000	7.40	7.40
c) Others (specify)									
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	12,000	0	12,000	0.18	0.18
Trusts	0	0	0	0	0	0	0	0	0
Market Maker	0	0	0	0	1,56,000	0	1,56,000	2.29	2.29
Bodies Corporate	0	0	0	0	1,20,000	0	1,20,000	1.76	1.76
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	18,12,000	0	18,12,000	26.60	26.60
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	18,12,000	0	18,12,000	26.60	26.60
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	50,00,000	50,00,000	100	68,12,000	0	68,12,000	100	

* On account of IPO, 18,12,000 equity shares were offered to public due to which the percentage shareholding of Individual promoters and other members have been diluted.

b) Shareholding of Promoters & Promoter Group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/encumbered to total Shares	
1	Rajendra C Vishwakarma	14,00,000	28	0	14,00,000	20.55	0	(7.45)
2	Mahendra C Vishwakarma	14,00,000	28	0	14,00,000	20.55	0	(7.45)
3	Narendra C Vishwakarma	8,50,000	17	0	8,50,000	12.48	0	(4.52)
4	Ravindra C Vishwakarma	6,00,000	12	0	6,00,000	8.81	0	(3.19)
5	Maltidevi R Vishwakarma	2,50,000	5	0	2,50,000	3.67	0	(1.33)
6	Manbhavtidevi M Vishwakarma	2,50,000	5	0	2,50,000	3.67	0	(1.33)
7	Nirmala R Vishwakarma	2,50,000	5	0	2,50,000	3.67	0	(1.33)
	Total	50,00,000	100	0	50,00,000	73.40	0	(26.60)

c) Change in Promoters' Shareholding (please specify, if there is no change):

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	At the beginning of the year	50,00,000	100	50,00,000	73.40
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	On account of IPO, 18,12,000 equity shares were offered to public due to which the percentage shareholding of Individual promoters and other members have been diluted.			
	At the the end of the year	50,00,000	100	50,00,000	73.40

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

Sr. No.	For each of Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Choice Equity Broking Private Limited	—	—	1,56,000	2.29
2	Amrutlal Gordhandas Thobhani	—	—	1,14,000	1.67
3	Sanjay Popatlal Jain	—	—	1,08,000	1.59
4	Daxa Nareshchandra Berawala	—	—	54,000	0.79
5	Miker Financial Consultants Pvt Ltd	—	—	54,000	0.79
6	Adheesh Kabra	—	—	48,000	0.70
7	Nareshchandra Ambalal Berawala	—	—	48,000	0.70
8	Paras N Berawala	—	—	36,000	0.53
9	Sampathraj Umedmal Shah HUF	—	—	36,000	0.53
10	Vibhuti Commodities Private Limited	—	—	36,000	0.53

Note: The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

The figures for "Shareholding at the beginning of the year" are not indicated as the Company got listed on October 13, 2017 on SME Emerge Platform of National Stock Exchange of India Limited.

e) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Mr. Rajendra C Vishwakarma (Managing Director)	14,00,000	28	14,00,000	20.55
2	Mr. Mahendra C Vishwakarma (Whole Time Director)	14,00,000	28	14,00,000	20.55
3	Mr. Narendra C Vishwakarma	8,50,000	17	8,50,000	12.48
4	Mr. Mahesh R Panchal	0	—	6,000	0.09

Note: Except above stated, none of the other Directors and KMP hold any shares in the Company as on March 31, 2018.

f) INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	599.76	160.51	0.00	760.27
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i + ii + iii)	599.76	160.51	0.00	760.27
Change in Indebtedness during the financial year				
* Addition	4875.77	86.08	0.00	4961.85
* Reduction	4464.65	2.99	0.00	4467.64
Net Change	411.12	83.09	0.00	494.21
Indebtedness at the end of the financial year				
i) Principal Amount	1010.88	243.60	0.00	1254.48
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i + ii + iii)	1010.88	243.60	0.00	1254.48

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		MD	WTD	
		Rajendra C. Vishwakarma	Mahendra C. Vishwakarma	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 11,93,500	₹ 10,98,020	₹ 22,91,520
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission- as % of profit- others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	₹ 11,93,500	₹ 10,98,020	₹ 22,91,520
	Ceiling as per the Act	Within Schedule V of the Act	Within Schedule V of the Act	

B. REMUNERATION TO OTHER DIRECTORS

SR.	Particulars	Name of Directors		Total Amount
		Mahesh Panchal	Narendra Vishwakarma	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 4,37,500	₹ 10,52,740	₹ 14,90,240
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	
2	Stock Option	0	0	
3	Sweat Equity	0	0	
4	Commission- as % of profit- others, specify...	0	0	
5	Others, please specify	0	0	
	Total (A)	₹ 4,37,500	₹ 10,52,740	₹ 14,90,240
	Ceiling as per the Act			

Note : A remuneration of ₹ 80,000/- was paid to Mr. Ravindra C Vishwakarma who resigned w.e.f 24th June 2017.

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	0	₹ 1,80,000	0	₹ 1,80,000
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	₹ 1,80,000	0	₹ 1,80,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE

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

RAJENDRA C. VISHWAKARMA
CHAIRMAN & MANAGING DIRECTOR
DIN: 00091492

Place: Mumbai
Date: May 11, 2018

ANNEXURE-B TO THE DIRECTORS' REPORT**FORM NO. AOC-2**

(PURSUANT TO CLAUSE (h) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND RULE 8 (2) OF THE COMPANIES (ACCOUNTS) RULES, 2014)

DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARM'S LENGTH TRANSACTIONS UNDER THIRD PROVISIO THERETO.

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

There were no contracts or transactions entered into during the year ended March 31, 2018, which were not at arm's length basis.

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS

The details of material contracts, arrangements or transactions in the ordinary course of business and at arm's length basis for the year ended March 31, 2018 are as follows :

Name(s) of the Related Party	Nature of relationship	Nature of of Contracts Arrangements / Trancsaction	Duration of Contracts Arrangements / Trancsaction	Salient Terms of the Contracts or Arrangements or Transaction including the value, if any	Date(s) of approval by the board	Amount paid as advances, if any
R.M Enterprises	A partnership firm controlled by director who hold more than 2 percent of shareholding	Sale of finished goods	NA	₹ 6,28,99,010	May 11, 2018	NIL
R.M Enterprises	A partnership firm controlled by director who hold more than 2 percent of shareholding	Purchase of Materials	NA	₹ 17,68,873	May 11, 2018	NIL

FOR AND ON BEHALF OF THE BOARD
OMFURN INDIA LIMITED

Rajendra C Vishwakarma
Chairman & Managing Director
DIN: 00091492

Date: May 11, 2018
Place: Mumbai

ANNEXURE-C TO DIRECTORS' REPORT**Form No. MR-3**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year ended March 31, 2018

To,
The Members,
Omfurn India Limited.
(Formerly known as Omfurn India Private Limited)
Mumbai.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Omfurn India Limited (hereinafter called the 'Company'). Secretarial Audit as required under Companies Act, 2013 was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

The Company was originally incorporated as a Private Limited Company on November 13, 1997 and was converted into a Public Limited Company on June 15, 2017. The Company got listed on the SME Emerge Platform of National Stock Exchange of India Ltd ('NSE') w.e.f October 13, 2017.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the Financial Year ended on March 31, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended March 31, 2018 as made available to me, according to the following provisions including any statutory modification, amendments or re-enactment thereof for the time being in force:

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment as applicable to the Company;-
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *Not Applicable during the Audit period*;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act and dealing with the Client;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and amendments from time to time; *Not Applicable during the Audit period*.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *Not Applicable during the Audit period*
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *Not Applicable during the Audit period*.

I have relied on the representation made by the management of the Company and its officers for systems and mechanism formed by the Company and having regard to the compliance system prevailing in the Company and on

examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. The Information Technology Act, 2000;
- b. The Trade Marks Act, 1999;
- c. Indian Stamp Act, 1999;
- d. Negotiable Instruments Act, 1881;
- e. Registration Act, 1908;
- f. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to Wages, Bonus, Apprenticeship, Gratuity, Provident Fund, ESIC, Profession Tax, compensation, Industrial Dispute Act, Industrial Relation Act, Factories Act, 1948, Contract Labour (Regulation and Abolition) Act etc;
- g. The Indian Contract Act, 1872;
- h. Income Tax Act, 1961 and other Indirect Tax laws;
- i. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- j. Bombay Shops and Establishments Act, 1948;
- k. Electricity Act, 2003;
- l. Factories Act, 1948.

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

- (i) Secretarial Standards in respect of Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with SME Emerge platform of NSE.

To the best of my knowledge and belief, during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that based on the information provided and the representation made by the Company and also on the review of the compliance reports of Managing Director and Chief Financial Officer taken on record by the Board of Directors of the Company in my opinion adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like labour laws, etc.

I further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Director, Non-Executive Directors and Independent Directors as required under the Act. Further, the Company has appointed Key Managerial Personnel as required under the Act. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Decisions at the meetings of the Board of Directors of the Company were carried unanimously. There were no dissenting views by any member of the Board of Directors during the period under review.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year following special event had occurred:

1. The Company has been converted into public limited Company;
2. The Company entered capital market with its *Initial Public Offering (IPO)* of 18,12,000 equity shares of ₹10/- each at a premium of ₹13/- per share aggregating to ₹ 4,16,76,000/-. The issue opened on September 29, 2017 and closed on October 5, 2017 and was oversubscribed by 1.33 times. The Company got listed its equity shares under SME Emerge Platform of NSE on October 13, 2017. The paid up share capital was increased from ₹ 5,00,00,000/- to ₹ 6,81,20,000/-.

Place: Mumbai
Date: May 11, 2018

Sd/-
Prashant S. Mehta
Membership No: A5814
COP: 17341

ANNEXURE-D TO DIRECTORS' REPORT

Management Discussion and Analysis Report

1. This section shall include discussion on the following matters within the limits set by the listed entity's competitive position:

A) Industry Structure and Developments:

Our Company is a leading Modular Furniture Manufacturing Company. We are emerging as the best manufacturer & Supplier of furniture for offices, Corporates, schools and residential complexes etc. Our furnitures are customized, system based or Turnkey project's throughout India & abroad. Furniture industry is changing very fast due to clients requirements and competition from foreign manufacturers.

The Company has been recently listed on SME Emerge Platform of National Stock Exchange of India Limited. The Company has been manufacturing fire resistant doors for which it has got a licence. Recently the Company has imported a specific machine for manufacture of this item which will enable the Company to increase its productivity enormously.

B) Opportunities and Threats:

Due to the Company being listed the scope for public financing has increased. The Company can tap financial market any time it requires thus the scope for increase in productivity and up gradation of technology has increased. The Company has been using unconventional raw materials for its products which is both an opportunity as well as threat. With the installation of the new machine, the Company would compete more effectively and tap the potential market. The Company continues its efforts in innovation and product development.

Threats

Raw material price increase would threaten the financial backbone of the Company. The squeeze on margin caused by increased raw material prices, rising energy cost, transportation cost and labour cost is putting enormous pressure on the Company. Competition from unorganized sector is a threat to be reckoned with.

C) Outlook:

Your Company continues to maintain its relatively stable and progressive growth outlook. The initiative taken by your Company for technology up gradation, reducing overheads and finance costs, improving operating parameters and optimizing operating costs will enable the company to face challenges in coming times.

D) Risks and Concerns:

Furniture Companies in general face a risk of obsolescence very fast which the Company has to face and by product innovation and raw material changes the Company is meeting such risk.

E) Internal control system and their adequacy:

In the opinion of the Management, there are adequate internal control system and procedures commensurate with the size of the Company and nature of its business. The Company has engaged the services of an independent Chartered Accountant to carry out the internal audit and ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system.

F) Discussion on financial performance with respect to operational performance:

The Company continues to see marginal growth in its overall performance in the financial year 2017-18 driven by the performance of the segment in which the Company operates. The revenue from operations of the Company is ₹ 3,296.64 Lakhs as against ₹ 2,723.44 Lakhs in the previous year-a growth of 21.05%. The profit before tax of the Company is ₹ 250.09 Lakhs as against ₹ 237.43 Lakhs in the previous year-a growth of 5.33%.

G) Material Developments in Human Resources/Industrial relations front, including number of people employed:

The Company has adequate number of employees at its Registered Office and Factory at Umergaon and there is no labour unrest.

The Company recognised the importance of human value and ensured that proper encouragement, both moral and financial, is extended to employees to motivate them. The Company maintains a constructive relationship with its employees by creating a positive work environment with focus on improving productivity and efficiency. The Company has a team of qualified personnel contributing to better performance of the Company. The Company enjoyed cordial relationship with workers and staff at all level of management during the year under discussion.

2. Disclosure of Accounting Treatment:

The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standards.

RAJENDRA C VISHWAKARMA
CHAIRMAN & MANAGING DIRECTOR
DIN:00091492

Place: Mumbai
Date: May 11, 2018

ANNEXURE-E TO THE DIRECTORS' REPORT

Information required under Section 197 of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A) The percentage increase in Remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the Financial year 2017-18 and ratio of remuneration of each key managerial personnel (KMP) against the performance are as under:-

Name of Director(s)	Designation	Total Remuneration in Rs.	Percentage Increase in Remuneration for the Financial Year 2017-18	Ratio of Remuneration of the director to the median*
Mr. Rajendra C Vishwakarma	Managing Director	11,93,500	0.17	9.81
Mr. Mahendra C Vishwakarma (CFO)	Whole Time Director	10,98,020	0.18	9.02
Mr. Mahesh Kumar R Panchal	Director	4,37,500	18.40	3.60
Mr. Narendra C Vishwakarma	Director	10,52,740	0.19	8.65
Mr. Umesh M Desai	Director	-	-	-
Mr. Sudhir J Shah	Director	-	-	-
Mr. Parag S Edwankar	Director	-	-	-
Mrs. Dhara P Shah (CS) (Appointed wef 22/08/2017)	Company Secretary	93,965	#	0.77
Mrs. Sonali M Gandre	Director	-	-	-
Mr. Ravindra C Vishwakarma (Resigned wef 24/06/2017)	Director	80,000	**	0.66

Notes:

- *Median remuneration for the financial year 2017-18 is 1,21,685(Rupees One Lakh Twenty One Thousand Six Hundred Eighty Five only).
- **Percentage increase in remuneration is not reported as Mr. Ravindra C Vishwakarma resigned w.e.f 24/06/2017.
- #Percentage increase in remuneration is not reported as Dhara P Shah (CS) was appointed w.e.f 22/08/2017.
- The aforesaid details are calculated on the basis of remuneration for the financial year 2017-18.
- The number of permanent employees on the rolls of the company is 133 for the year ended March 31, 2018.
- There was an increase of 2.15% in median remuneration of employees during the financial year.
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year 2017-18 was 12.50%.
- It is affirmed that remuneration paid during the year ended March 31, 2018 is as per the Remuneration Policy of the Company.

RAJENDRA C VISHWAKARMA
CHAIRMAN & MANAGING DIRECTOR
DIN:00091492

Place: Mumbai
Date: May 11, 2018

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Omfurn India Limited
(Formerly known as Omfurn India Private Limited)

Report on Financial Statements

We have audited the accompanying financial statements of Omfurn India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss, the Statement of Cash Flows and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet , the Statement of Profit and Loss and the Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long term contract including derivative contracts for which there were any material foreseeable losses.
 - iii. There company is not required to transfer any amount amounts to the Investor Education and Protection Fund.

FOR MEHTA BHARAT & ASSOCIATES

Chartered Accountants

FRN: 106192W

B H MEHTA

Proprietor

MRN: 031818

Place: Mumbai

Dated: May 11, 2018

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Annexure referred to in Paragraph 2 under the heading “Report on other legal and regulatory requirements” of our report of even date on financial statements for the year ended 31st March 2018)

i) In respect of the Company’s Fixed Assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) According to information and explanations given to us and on the basis of examination of the records of the company, title deeds of immovable properties other than self-constructed immovable properties (buildings) are held in the name of the company.

ii) In respect of the Company’s Inventories:

As explained to us, the inventories are physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to the book records.

- iii) The Company has not granted any loans, secured or unsecured to companies, firm, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of Clause (iii) (a) and Clause (iii) (b) of paragraph 3 of the Order not applicable to the Company.
- iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to parties covered under Section 185 and 186 of the Act. Therefore provisions of Clause 3(iv) of the said Order are not applicable to the company.
- v) The Company has not accepted any deposits from public within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for the products manufactured by the company and hence the provisions of Companies (Cost Records and Audit) Rules, 2014 are not applicable.
- vii) According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Profession Tax, Employees’ State Insurance, Income Tax, Duty of customs, Sales Tax, Excise Duty, Value Added Tax, Service Tax, Goods and Service Tax and Cess and other material statutory dues applicable to it with the appropriate authorities;
 - b. There were no undisputed amounts payable in respect of Provident Fund, Profession Tax, Employees’ State Insurance, Income Tax, Duty of customs, Sales Tax, Excise Duty, Value Added Tax, Service Tax, Goods and Service Tax and Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
 - c. There were no dues of Provident Fund, Profession Tax, Employees’ State Insurance, Income Tax, Duty of customs, Sales Tax, Excise Duty, Value Added Tax, Service Tax, Goods and Service Tax and Cess which have not been deposited as at March 31, 2018 on account of dispute.
- viii) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any banks, financial institutions or the government. Further, the company did not have any outstanding debentures during the year.
- ix) The Company has applied for term loans for set up of new plant at Umbergaon Factory. The outstanding balance of new term loans and existing term loans from Union Bank of India as at 31st March, 2018 is ₹ 7,17,39,272/-. The Company has raised money by way of initial public offer aggregating to ₹ 4,16,76,000/- by issuing 18,12,000 equity shares at ₹ 23/- per share.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

- xi) In our opinion and according to the information and explanations given to us by the management, the managerial remuneration has been paid or provided in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.
- xii) The Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, reporting under clause 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transaction with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act 2013 are not applicable.
- xvi) According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly paragraph 3(xvi) is not applicable.

FOR MEHTA BHARAT & ASSOCIATES

Chartered Accountants

FRN 106192W

B H MEHTA

Proprietor

MRN 031818

Place: Mumbai

Dated: May 11, 2018

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Omfurn India Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub- section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Omfurn India Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgements, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR MEHTA BHARAT & ASSOCIATES

Chartered Accountants
FRN 106192W

B H MEHTA

Proprietor
MRN 031818
Place: Mumbai
Dated: May 11, 2018

BALANCE SHEET AS ON 31ST MARCH, 2018

(Amount in ₹)

PARTICULARS	Note No.	As at March 31, 2018	As at March, 31 2017
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	6,81,20,000.00	5,00,00,000.00
(b) Reserves and Surplus	4	14,40,06,516.62	10,72,55,786.01
		21,21,26,516.62	15,72,55,786.01
2 Non-Current Liabilities			
(a) Long-Term Borrowings	5	7,99,94,115.94	2,73,18,581.12
(b) Other Long-Term Liabilities	6	24,50,000.00	24,50,000.00
(c) Deferred Tax Liabilities (Net)		29,51,150.00	37,66,820.00
		8,53,95,265.94	3,35,35,401.12
3 Current Liabilities			
(a) Short Term Borrowings	7	2,93,48,769.21	4,32,14,621.06
(b) Trade Payables	8	6,39,28,292.96	4,69,37,256.37
(c) Other Current Liabilities	9	1,84,24,369.14	1,56,53,763.00
(d) Short-term provisions	10	29,64,886.75	56,86,385.00
		11,46,66,318.06	11,14,92,025.43
TOTAL		41,21,88,100.62	30,22,83,212.56
B ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	11	8,12,66,299.33	8,48,70,595.55
Capital Work-in-Progress		7,08,86,104.37	—
(b) Non-Current Investments	12	1,10,03,200.00	1,10,03,200.00
(c) Long-Term Loans & Advances	13	41,26,711.00	35,32,967.00
		16,72,82,314.70	9,94,06,762.55
2 Current Assets			
(a) Inventories	14	7,00,83,636.00	6,67,13,812.00
(b) Trade Receivables	15	15,97,56,239.47	10,89,18,093.35
(c) Cash & Cash Equivalents	16	1,20,66,461.89	2,05,25,444.71
(d) Short-Term Loans & Advances	17	29,99,448.56	67,19,099.95
		24,49,05,785.92	20,28,76,450.01
TOTAL		41,21,88,100.62	30,22,83,212.56
Notes forming part of the financial statements	1 & 2		

The accompanying notes an integral part of financial statements

As per our report of even date

FOR MEHTA BHARAT & ASSOCIATES

Chartered Accountants

FRN 106192W

B. H. MEHTA

Proprietor

MRN - 031818

Place : **Mumbai**

Date: **May 11, 2018**

FOR & ON BEHALF OF THE BOARD

R. C VISHWAKARMA

Managing Director

DIN - 00091492

M. C. VISHWAKARMA

Chief Financial Officer

N. C VISHWAKARMA

Director

DIN - 00103447

DHARA P. SHAH

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

PARTICULARS	Note No.	March 31, 2018 (₹)	March 31, 2017 (₹)
CONTINUING OPERATIONS			
1 Gross Revenue from Operations	18	38,24,30,150.26	32,17,27,778.00
Less: Indirect Taxes		(5,27,66,594.40)	(4,93,83,457.47)
Net Revenue from Operations		32,96,63,555.86	27,23,44,320.53
2 Other Income	19	71,16,292.16	95,61,256.05
3 TOTAL REVENUE		33,67,79,848.02	28,19,05,576.58
4 EXPENSES			
(a) Materials Consumed	20	22,65,32,442.77	19,33,64,762.34
(b) Changes in Inventories	21	(67,96,149.00)	(1,89,07,389.75)
(c) Manufacturing and Operating Expenses	22	2,85,81,185.34	2,23,16,070.12
(d) Employee Benefit Expense	23	2,56,42,563.22	2,43,30,153.00
(e) Finance Costs	24	72,35,828.29	79,69,191.60
(f) Other Expenses	25	2,17,07,756.55	1,95,29,661.16
(g) Depreciation and Amortisation Expense	11	85,34,457.44	95,59,716.00
(h) Loss On Sale Of Assets		3,33,173.00	—
TOTAL EXPENSES		31,17,71,257.61	25,81,62,164.47
5 Profit Before Tax		2,50,08,590.41	2,37,43,412.11
6 Tax Expenses:			
(a) Current Tax Expense		68,25,000.00	77,30,430.04
(b) Deferred Tax (Expense)/ Income		(8,15,670.00)	(79,520.00)
Total Tax Expense		60,09,330.00	76,50,910.04
7 Profit for the period		1,89,99,260.41	1,60,92,502.07
8 Earnings per Equity Share:			
Basic and Diluted	26	3.24	3.22
Notes forming part of the financial statements	1 & 2		

As per our report of even date

FOR MEHTA BHARAT & ASSOCIATES

Chartered Accountants

FRN 106192W

B. H. MEHTA

Proprietor

MRN - 031818

Place : **Mumbai**Date: **May 11, 2018****FOR & ON BEHALF OF THE BOARD****R. C VISHWAKARMA**

Managing Director

DIN - 00091492**M. C. VISHWAKARMA**

Chief Financial Officer

N. C VISHWAKARMA

Director

DIN - 00103447**DHARA P. SHAH**

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

PARTICULARS	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
(A) Cash flow from operating activities		
Net Profit / (Loss) before tax	2,50,08,590	2,37,43,412
Adjustments for:		
Depreciation and amortisation	85,34,457	95,59,716
Loss on Sale of Fixed Assets	3,33,173	—
Interest on Bank Deposits	-15,26,600	-22,89,170
Interest & Finance Charges	64,65,903	79,69,192
Import (Gain)/Loss	-90,786	-52,804
Operating Profit Before Working Capital Changes	3,87,24,738	3,89,30,346
Movements in Working Capital		
(Increase)/ Decreases in Trade receivables	-5,08,38,146	2,71,72,162
(Increase)/ Decreases in Inventories	-33,69,824	-2,84,10,100
(Increase)/ Decreases in Short-term loans and advances	37,19,651	-26,30,606
(Increase)/ Decreases in Other Current Assets	-32,60,818	-22,43,615
(Increase)/ Decreases in Non-current Assets	—	2,07,66,050
(Increase)/ Decreases in Long Term Loans & Advances	-5,93,744	-1,85,704
Increase/ (Decrease) in Trade payables	1,69,91,037	-26,22,141
Increase/ (Decrease) in Other current liabilities	-1,10,95,246	2,95,13,531
Cash Generated From Operations	-97,22,352	8,02,89,923
Less: Tax paid	62,85,680	10,54,376
Net Cash Generated from Operating Activities	-1,60,08,032	7,92,35,547
(B) Cash flow from investing activities		
Purchase of Fixed assets and Capital Work in Progress	-7,63,69,703	-17,11,776
Investment in Mutual Funds	—	-1,10,00,000
Sale of Fixed assets	2,20,264	—
Interest on Bank Deposits	15,26,600	22,89,170
Dividend Received	90,786	52,804
Net Cash Generated from Investing Activities	-7,45,32,052	-1,03,69,803
(C) Cash flow from financing activities		
Proceeds from IPO	4,16,76,000	—
Share Issue Expenses	-58,04,530	—
Interest & Finance Charges paid	-64,65,903	-79,69,192
Long Term Borrowings	5,26,75,535	-4,75,98,308
Net cash generated from Financing Activities	8,20,81,102	-5,55,67,500
Net Increase/(Decrease) in cash & cash equivalent	-84,58,983	1,32,98,245
ADD: Cash & Cash equivalent at the beginning of the year	2,05,25,445	72,27,200
Cash & Cash equivalent at the end of the year	1,20,66,462	2,05,25,445
Components of cash & cash equivalent		
Cash in hand	74,685	89,624
Balances with banks	1,19,91,777	2,04,35,821
Cash & Cash equivalent considered for cash flow statement	1,20,66,462	2,05,25,445

As per our report of even date

FOR MEHTA BHARAT & ASSOCIATESChartered Accountants
FRN 106192W**B. H. MEHTA**Proprietor
MRN - 031818Place : **Mumbai**Date: **May 11, 2018****FOR & ON BEHALF OF THE BOARD****R. C VISHWAKARMA**Managing Director
DIN - 00091492**M. C. VISHWAKARMA**

Chief Financial Officer

N. C VISHWAKARMADirector
DIN - 00103447**DHARA P. SHAH**

Company Secretary

NOTE 1 : FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018**Note 1: Corporate Information**

Omfurn India Limited ('the company') is a public limited company, limited by shares, domiciled in India and incorporated under the Companies Act 1956. The company was converted into a public limited company with effect from 15th June, 2017 and subsequently got listed on the National Stock Exchange (NSE).

The company is mainly engaged in the business of manufacturing and supplying of furniture's like Executive office furniture, International school furniture, Modular office furniture, Bedroom Furniture, wooden door & frame etc. in terms of customized, system based or Turnkey project's throughout India. The Company also specializes in the design and execution of turnkey interiors projects by bringing together under the same roof all of the resources necessary to meet the needs of any fit-out project.

Note 2: Basis of preparation and measurement and Significant Accounting policies and notes to accounts**2.1 Basis of Accounting and preparation of Financial Statements**

- The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the relevant provisions of Companies Act, 2013.
- The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year
- All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – noncurrent classification of assets and liabilities

2.2 Use of Estimates

- The preparation of financial statements is in conformity with Generally Accepted Accounting Principles that requires the Management to make estimates and assumptions considered in reported amount of assets and liabilities (including contingent liabilities) and the income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2.3 Fixed Assets and Depreciation there on

- Fixed Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any.
- The cost of Fixed Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously ascertained standard of performance
- The company has applied the estimated useful life as specified in Schedule II and calculated depreciation based on rates worked as per applicable accounting standard and guidance note issued by ICAI as under:-

Type of Asset	Period
Computer Equipment	3 years
Furniture & Fixtures	10 years
Office Equipment's	5 years
Plant & Machinery	15 years
Motor Vehicles	10 years
Factory Building	30 years
Other Buildings	60 years
Electrical Installations	10 years

- e. During the year under review the company has set up new manufacturing facility at GIDC, Gujarat. The cost incurred on the new manufacturing facility is disclosed as Capital Work in Progress as the same were not ready for their intended use at the reporting date.

2.4 Impairment Of Assets

- a. An asset is considered as impaired in accordance with AS-28 in Impairment of Assets when at balance sheet date there are indications of impairment and the carrying amount of asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of assets' net selling price and value in use). The carrying amount is reduced to the recoverable amount and reduction is recognized as an impairment loss in the Statement of Profit & Loss. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

2.5 Borrowing Costs

- a. Borrowing Costs directly attributable to the acquisition, construction and production of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

2.6 Investments

- a. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long-Term investments are valued at cost and provision for diminution in value thereof is made, wherever such diminution is other than temporary

2.7 Inventories

- a. Items of Inventories are valued at lower of cost and net realizable value
- b. Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and proportionate manufacturing overheads incurred in bringing the inventories to their present location and condition.

2.7 Employee Benefits

- a. All employee benefits payable wholly within 12 months of rendering of services are classified as short-term employee benefits. These comprise of salaries, wages and short term compensated absences, etc. and the expected costs of ex-gratia are recognized in the period in which the employee renders the related services.
- b. Post-employment benefits defined contribution plans: Payments made to a defined contribution plan such as Provident Fund maintained with the Regional Provident Fund Office and superannuation fund are charged to as an expense in the Statement of Profit and Loss Account as they fall due
- c. Defined Benefit plans Gratuity Fund: The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all employees on death or on separation or termination in terms of the Payment of Gratuity Act, 1997. In respect of Gratuity the company has made contributions to plan provided by the Life Insurance Corporation of India

2.9 Revenue Recognition

- a. Revenue from operations is recognised to the extent that it is probable that the economic benefits will flow to the company and its revenue can be reliably measured. Revenue is measured on accrual basis at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Central or the State government.
- b. Supply of Goods
Revenue is recognized when significant risks and rewards of ownership of the goods have passed to the buyer. Net Turnover from operations represents amount of turnover after deduction of discounts, central excise duty and Sales Tax (VAT/ CST) and Goods and Services tax
- c. Sale of services

Revenue from Sale of services is recognised on accrual basis as and when the service provision is completed. It is recognised net of discounts and Service Tax or goods and services tax

d. Interest Income

Interest income is recognised on a proportionate basis taking into account the amount outstanding and the rate applicable

2.10 Excise Duty, Service Tax and Goods and Services Tax Input Tax Credit

- a. The CENVAT Credit in respect of raw materials is debited to CENVAT Credit Account under Current Assets and utilized in terms of the CENVAT Credit Rules 2004
- b. CENVAT Credit in respect of capital goods is debited to CENVAT Credit Capital Goods Account to the extent of 50% and balance CENVAT is debited to CENVAT Credit Capital Goods receivable Account to be utilized in subsequent financial year in terms of CENVAT Credit Rules 2004
- c. Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits as per the relevant provisions of the CENVAT Credit Rules 2004. However, the credit in terms of the CENVAT Credit Rules 2004 is availed only on the payment of entire invoice of the service provider
- d. The Goods and Services Tax was introduced with effect from July 1st, 2017. In terms of section 140(1) of the CGST Act, 2017 the company has transitioned the excess input tax credit balance to the electronic credit ledger. Further, in respect of inputs on which tax was paid under the earlier law but the inputs were received on or after 1-7-2017 the input tax credit is transitioned to the GST regime in terms of section 140(5) of the CGST Act, 2017
- e. The Company has claimed input tax credit in terms of Chapter V of the CGST Act, 2017 and the Rules made there under in respect of inputs, input services and capital goods used for the purposes of the business. To the extent of ineligible credits the same are added to their respective heads of expenses/capital goods.

2.11 Cash and Cash Equivalents

- a. Cash and cash equivalents in the balance sheet include cash at bank and on hand.
- b. Cash equivalents are short-term, highly liquid investments that are readily convertible into amounts of cash and which are subject to insignificant risk of change in value.

2.12 Foreign Currency Transactions

- a. The Company's financial statements are prepared in Indian Rupees which is the Company's functional currency
- b. The Transactions in foreign currency are recorded in the functional currency at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items, including those of foreign operations integral in nature, denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realization/ payment of foreign exchange are accounted for in the relevant year as income or expense.
- c. During the year under review there are no foreign exchange earnings. Foreign Currency outgoings are at ₹ 263.50 Lakhs.

2.13 Micro, Small & Medium Enterprises Development Act, 2006

- a. The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently the amount paid/ payable to these parties during the year is not ascertainable. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from the date of acceptance of supply of goods or services rendered by a supplier nor to give the relevant disclosures as required under the Act. This has been relied upon by the auditors.

2.14 Segment Information

Your Company's business activity falls within a single primary business segment viz. manufacturing and supply of furniture items. Also the company is operating in Indian market; hence there is no reportable geographic / secondary segment. Accordingly, no disclosure is required under AS-17.

2.15 Related Party Disclosures

Related Parties and their relationships are enumerated in the table below:

Name of Related Party	Relationship	Amount (₹)	Nature of Payment
Rajendra C. Vishwakarma	Director	11,93,500	Directors' Remuneration
Mahendra C. Vishwakarma	Director	10,98,020	
Narendra C. Vishwakarma	Director	10,52,740	
Ravindra C. Vishwakarma	Director	80,000	
Mahesh R. Panchal	Director	4,37,500	
Rajendra C. Vishwakarma	Director	7,20,000	Rent
Manbhavti Rajendra Vishwakarma	Wife of Director	5,29,200	
Mahendra C. Vishwakarma	Director	5,29,200	
Malti Mahendra Vishwakarma	Wife of Director	3,96,900	
Narendra C. Vishwakarma	Director	6,00,000	
Jayesh M. Vishwakarma	Son of Director	3,52,071	Salary
Vikrant R. Vishwakarma	Son of Director	3,25,600	Salary
Archana V. Vishwakarma (Om)	Daughter in Law of Director	1,06,910	Labour Charge
R M Enterprises	Director is Partner in Partnership Firm	17,68,873	Purchase
R M Enterprises	Director is Partner in Partnership Firm	6,28,99,010	Sale

2.16 Earnings per share

- a. Basic earnings per share are calculated in accordance with Accounting Standard (AS-20) – Earning per share. The Basic Earnings per share is arrived by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The numbers of equity shares are adjusted retrospectively for all the periods presented for bonus shares issued during the reporting period.

Particulars	As at March 31, 2018	As at March 31, 2017
Net Profit after Tax (Rs.)	1,87,56,070	1,60,92,502
Number of Shares outstanding at the beginning of the year	50,00,000	5,00,000
Add: Bonus shares issued during the year	–	45,00,000
Add: Shares issued during the year	18,12,000	–
Number of shares outstanding at the end of the year	68,12,000	50,00,000
Weighted average number of shares		
For Calculating Basic and Diluted EPS	58,58,838	50,00,000
Earnings per share (EPS)	3.24	3.22

2.17 Taxes on income

- a. Current Tax comprises of expected tax payable or recoverable for the year and any adjustment in respect of previous years. It is measured using tax rates provided under the Income Tax Act, 1961.
- b. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

- c. Deferred Tax is recognized, subject to consideration of prudence, on timing difference between taxable income and accounting income for the period that originate in one period and are capable of reversal in one or more subsequent periods.

Particulars	Amount (in ₹)
Opening Deferred Tax liability	37,66,820
Less: Deferred Tax Income credited to Statement of Profit and Loss Account	(8,15, 670)
Closing Deferred Tax Liability	29,51,150

2.18 Sundry Debtors, Loans and Advances

- a. Sundry Debtors, Loans and Advances are stated at the value if realised in the ordinary course of business. Irrecoverable amounts, if any are accounted for and/ or provided for as per the decision of the management or upon final settlement with the parties

2.19 Provision, Contingent Liabilities and Contingent Assets

- a. Provisions are recognized in terms of Accounting Standard (AS-29) –Provisions, Contingent Liabilities and Contingent Assets notified pursuant to Companies (Accounting Standards) Rules, 2006, when there is present legal or statutory obligation as result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.
- b. Contingent liabilities are recognized only when there is obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a realizable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having largely probable outflow of resources are provided for Contingent Liabilities
- c. The company has made FDRs against which margin money towards bank guarantee is adjusted by bank as and when issued. The contingent liabilities as at year end are tabulated as under:

(₹ In Lakhs)

Nature of Contingent Liability	As at 31 st March 2018	As at 31 st March 2017
Bank Guarantee for which FDR margin money has been given to the bank as Security	280.06	399.00

2.20 Previous year figures

- a. Previous year's figures have been regrouped and rearranged wherever necessary so as to make comparable with those of Current Year.

Notes forming part of the Financial statement for the year ended 31st March, 2018.

3 Share Capital

(Amount in ₹)

Share Capital	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
(a) Authorised Share Capital				
Equity Shares of Rs. 10/- each with voting rights	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
(b) Issued, Subscribed and fully paid up				
68,12,000 (PY 50,00,000) Equity Shares of Rs. 10/- each with voting rights	68,12,000	6,81,20,000	50,00,000	5,00,00,000
	68,12,000	6,81,20,000	50,00,000	5,00,00,000
(c) Reconciliation of number of shares outstanding at the beginning and at the end of the year				
Equity Shares				
- At the beginning of the year	50,00,000	5,00,00,000	5,00,000	50,00,000
- Issued during the year	18,12,000	1,81,20,000	—	—
- Bonus shares Issued during the year	—	—	45,00,000	4,50,00,000
- At the end of the year	68,12,000	6,81,20,000	50,00,000	5,00,00,000

The company has only one class of equity shares having face value of ₹ 10/- per share. Each holder of equity shares is entitled to one (i) vote per share

During the year the company offered equity shares to the public through an Initial Public Offer and has issued 18,12,000 equity shares (ii) of ₹ 10/- each at a premium of ₹ 13/- per equity share.

B) Details of Shareholders holding more than 5% of Equity Shares in the Company

Share Capital	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
(i) Rajendra Chitbahal Vishwakarma	14,00,000	20.55	14,00,000	28.00
(ii) Mahendra Chitbahal Vishwakarma	14,00,000	20.55	14,00,000	28.00
(iii) Narendra Chitbahal Vishwakarma	8,50,000	12.48	8,50,000	17.00
(iv) Ravindra Chitbahal Vishwakarma	6,00,000	8.81	6,00,000	12.00

4 RESERVE & SURPLUS

(Amount in ₹)

	March 31, 2018	March 31, 2017
4A. Surplus/ (Deficit) in Statement of Profit and Loss		
Balance at the beginning of the year	10,72,55,786.01	13,61,63,283.94
Add: Surplus transferred from Statement of Profit & Loss	1,89,99,260.41	1,60,92,502.07
Less: Utilised during the year for		
Issue of Bonus Shares	—	(4,50,00,000.00)
	12,62,55,046.42	10,72,55,786.01
4B. Securities Premium Accounts	—	—
Balance at the beginning of the year	—	—
Add: On Equity Shares issued during the year	2,35,56,000.00	—
Less: Utilised for share issue expenses	(58,04,529.80)	—
	1,77,51,470.20	—
	14,40,06,516.62	10,72,55,786.01

5 Long Term Borrowings		(Amount in ₹)	
	March 31, 2018	March 31, 2017	
(a) Term Loans from Banks	6,99,87,109.63	1,61,64,883.65	
Less: Installments due within 12 months	(1,57,73,808.00)	(53,57,148.00)	
	5,42,13,301.63	1,08,07,735.65	
(b) Vehicle loans	17,52,162.84	5,96,335.00	
Less: Installments due within 12 months	(3,30,996.00)	(1,35,996.00)	
	14,21,166.84	4,60,339.00	
(c) Other Long Term Loans from related parties			
Unsecured loans from Directors of the company	2,43,59,647.47	1,60,50,506.47	
	7,99,94,115.94	2,73,18,581.12	

1 Term Loans from Union Bank of India are secured by

- Mortgage of company's immovable properties specified in the relevant loan agreements/ sanction terms
- Hypothecation of Company's movable properties, both present and future
- Personal guarantees of the Directors

2 Vehicle loans are secured against specified assets

3 Terms of repayment of loans

Name of the Bank	Period of maturity	No. of monthly installments	Amount of installment	Rate of Interest Secured
Term Loans				
Union Bank of India (Rs. 200 Lakhs)	Nov-2019	84	2,38,095	12.10%
Union Bank of India (Rs. 125 Lakhs)	Jul-2020	60	2,08,333	12.10%
Union Bank of India (Rs. 625 Lakhs)	Apr-2024	72	8,68,055	12.05%
Vehicle Loans				
Union Bank of India (Rs. 9.52 Lakhs)	Dec-2020	84	11,333	10.70%
Union Bank of India (Rs. 13.65 Lakhs)	Sep-2024	84	16,250	8.70%

(Amount in ₹)

6 Other Long Term Liabilities			
(a) Lease Rental Deposit	24,00,000.00	24,00,000.00	
(b) Other Security Deposit	50,000.00	50,000.00	
	24,50,000.00	24,50,000.00	
7 Short Term Borrowings			
Loan repayable on demand			
- Cash Credit account with Union Bank of India	2,93,48,769.21	4,32,14,621.06	
	2,93,48,769.21	4,32,14,621.06	

Notes:

- Cash Credit from Union Bank of India is secured by hypothecation of stocks and trade receivables, both present and future, as well as by the mortgage of the specified immovable properties and personal grantee of the directors.
- The Cash Credit facility carries interest rate of 11.05%.

8 Trade Payables			
(a) Other than Acceptances	4,29,24,436.47	3,40,85,229.00	
(b) Other trade payable	2,10,03,856.49	1,28,52,027.37	
	6,39,28,292.96	4,69,37,256.37	

9 OTHER CURRENT LIABILITIES

(Amount in ₹)

	March 31, 2018	March 31, 2017
(a) Current maturities of long term borrowings		
- Term loans from banks	1,57,73,808.00	53,57,148.00
- Vehicle loans	3,30,996.00	1,35,996.00
(b) Statutory Remittances	17,40,305.14	76,31,840.00
(c) Customer credit balances	5,79,260.00	25,28,779.00
	1,84,24,369.14	1,56,53,763.00

10 Short Term Provisions

Provision- others:-

(a) Provision for tax (Net of TDS and Advance tax)	29,64,886.75	56,86,385.00
	29,64,886.75	56,86,385.00

11 Fixed Assets

	Leasehold Land	Factory Building	Building	Vehicles	Office Equipments	Furniture & Fixtures	Plant & Machinery	Computers	Total
Year ended March 31 2018									
Gross Carrying Amount									
Opening gross carrying amount	1,16,86,414	3,31,16,135	4,46,64,220	62,53,531	17,75,663	3,77,157	7,09,44,984	19,87,500	17,08,05,603
Add: Additions	13,19,600	0	0	16,00,105	2,98,026	0	19,52,239	3,13,628	54,83,598
Less: Disposals	0	0	0	31,13,034	0	0	0	0	31,13,034
Closing Gross carrying amount	1,30,06,014	3,31,16,135	4,46,64,220	47,40,602	20,73,689	3,77,157	7,28,97,223	23,01,128	17,31,76,167
Accumulated Depreciation									
Opening accumulated depreciation	0	1,96,08,484	92,59,075	50,37,704	15,51,096	3,01,254	4,87,53,792	14,23,602	8,59,35,007
Depreciation charged during the year	0	12,70,459	18,34,664	4,21,103	1,74,760	20,064	43,66,778	4,46,631	85,34,457
Disposals	0	0	0	25,59,597	0	0	0	0	25,59,597
Closing accumulated depreciation	0	2,08,78,943	1,10,93,739	28,99,210	17,25,856	3,21,318	5,31,20,570	18,70,233	9,19,09,868
Net carrying amount	1,30,06,014	1,22,37,192	3,35,70,481	18,41,392	3,47,833	55,839	1,97,76,653	4,30,896	8,12,66,299
Year ended March 31 2017									
Gross Carrying Amount									
Opening gross carrying amount	1,16,86,414	3,26,67,659	4,46,64,220	62,53,531	17,75,663	3,77,157	7,02,05,034	14,64,150	16,90,93,827
Add: Additions	0	4,48,476	0	0	0	0	7,39,950	5,23,350	17,11,776
Less: Disposals	0	0	0	0	0	0	0	0	0
Closing Gross carrying amount	1,16,86,414	3,31,16,135	4,46,64,220	62,53,531	17,75,663	3,77,157	7,09,44,984	19,87,500	17,08,05,603
Accumulated Depreciation									
Opening accumulated depreciation	0	1,82,13,039	73,24,101	46,26,829	13,43,756	2,72,948	4,35,48,521	10,46,097	7,63,75,291
Depreciation charged during the year	0	13,95,445	19,34,974	4,10,875	2,07,340	28,306	52,05,271	3,77,505	95,59,716
Disposals	0	0	0	0	0	0	0	0	0
Closing accumulated depreciation	0	1,96,08,484	92,59,075	50,37,704	15,51,096	3,01,254	4,87,53,792	14,23,602	8,59,35,007
Net carrying amount	1,16,86,414	1,35,07,651	3,54,05,145	12,15,827	2,24,567	75,903	2,21,91,191	5,63,898	8,48,70,596

12 Non Current Investments(a) Quoted, Fully paid

In Equity shares of Union Bank of India Limited [200 equity shares (200, 31.03.17) of ₹ 16 each]	3,200.00	3,200.00
--	----------	----------

(b) Other Investments

In Union Capital Protection Oriented Mutual Fund [11 Lakh Units (11 lakh units, 31.03.17) of ₹ 10 each]	1,10,00,000.00	1,10,00,000.00
	1,10,03,200.00	1,10,03,200.00

13 Long Term Loans and Advances

(Amount in ₹)

	March 31, 2018	March 31, 2017
(a) Security Deposits	3 7,12,925.00	2 2,55,356.00
(b) Advance to Om Shanti Co op Hsg Soc Ltd	4,13,786.00	1 2,77,611.00
	4 1,26,711.00	3 5,32,967.00

14 Inventories

(a) Raw Materials	2 ,56,46,998.00	2 ,90,73,323.00
(b) Semi finished goods	1 ,80,65,092.00	2 ,26,69,184.00
(c) Work In Progress	2 ,63,71,546.00	1 ,49,71,305.00
	7 ,00,83,636.00	6 ,67,13,812.00

15 Trade Receivables

Unsecured but considered good

(a) Outstanding for a period exceeding six months	4 ,26,14,839.77	6 ,18,51,211.14
(b) Outstanding for a period Less than six months	10,13,73,613.32	3 ,38,89,433.86
(c) Retention Money	1 ,57,67,786.38	1 ,31,77,448.35
	15,97,56,239.47	10,89,18,093.35

16 Cash and Cash Equivalents

(a) Cash On Hand		
At Mumbai Unit	1 7,776.89	26,048.89
At Umbergaon Unit	5 6,908.00	63,575.00
(b) With Banks in current account	(7,81,584.00)	(3,30,229.18)
(c) In deposit accounts	51,27,417.00	—
(d) As margin money deposit	76,45,944.00	2,07,66,050.00
	1,20,66,461.89	2,05,25,444.71

17 Short Term Loans and Advances

(a) Advance for Expenses	3 5,022.00	49,979.00
(b) Loans to Employees	4,38,276.00	5,59,201.00
(c) Advances to Employees	4,89,275.00	1,91,886.00
(d) Prepayments	7,02,657.00	6,56,172.00
<u>Balance with government authorities</u>		
(e) CENVAT Credit and personal ledger Balance	—	2 3,48,737.95
(f) Excess Input Tax Credit	1 3,34,218.56	—
(g) Excess VAT Credit	—	29,13,124.00
	2 9,99,448.56	67,19,099.95

18 Revenue from Operations

(Amount in ₹)

	March 31, 2018	March 31, 2017
(a) Supply of Products	25,79,49,446.80	23,88,21,754.00
(b) Supply of Services	12,44,80,703.46	8 ,29,06,024.00
	38,24,30,150.26	32,17,27,778.00
LESS: Indirect Taxes		
(a) Central excise duty	51,94,527.00	1,92,31,185.00
(b) Service tax	20,47,832.41	69,48,811.00
(c) Value added tax	58,51,127.88	2,32,03,461.47
(d) Goods and services tax	3,96,73,107.11	—
	5,27,66,594.40	4,93,83,457.47
	32,96,63,555.86	27,23,44,320.53

19 Other Income

(Amount in ₹)

March 31, 2018 **March 31, 2017**

(a) Interest on bank deposits	15,26,600.00	22,89,170.00
(b) Import gain or loss	90,786.16	52,803.50
(c) Lease rent	49,50,000.00	48,00,000.00
(d) Debit or credit balance written off	—	24,19,282.55
(e) Interest on VAT refund	5,48,906.00	—

71,16,292.16 **95,61,256.05**

20 Cost of Materials Consumed

(a) Opening Stock of Raw Material	2,90,73,323.00	1,95,70,612.34
(b) <u>Add: Purchase</u>		
Raw materials	17,60,66,724.51	7,73,97,047.00
Sub-contracts	4,70,39,393.26	2,54,70,426.00
	25,21,79,440.77	22,24,38,085.34
(c) <u>Less: Closing stock of raw material</u>	(2,56,46,998.00)	(2,90,73,323.00)
	22,65,32,442.77	19,33,64,762.34

21 Changes in Inventories of Work in Progress and Semi Finished Goods**Inventory at end of the year**

(a) Semi finished goods	1,80,65,092.00	2,26,69,184.00
(b) Work in progress	2,63,71,546.00	1,49,71,305.00
	4,44,36,638.00	3,76,40,489.00

Inventory at beginning of the year

(a) Semi finished goods	2,26,69,184.00	37,33,099.25
(b) Work in progress	1,49,71,305.00	1,50,00,000.00
	3,76,40,489.00	1,87,33,099.25
	(67,96,149.00)	(1,89,07,389.75)

22 Manufacturing and Operating Expenses

(a) Coolie and Cartage	16,64,269.00	24,22,404.00
(b) Factory salaries and wages	82,58,861.00	80,33,697.00
(c) Incentives	34,82,192.00	28,65,818.00
(d) Power and fuel	31,17,957.79	29,26,921.12
(e) Repairs and maintenance - machinery	38,74,982.13	27,29,160.00
(f) Transport, octroi, loading and unloading	70,93,648.00	18,47,806.00
(g) Other manufacturing and operating expenses	10,89,275.42	14,90,264.00
	2,85,81,185.34	2,23,16,070.12

23 Employee Benefit Expense

(a) Salary, wages and bonus	1,41,82,159.00	1,29,23,275.00
(b) Directors' remuneration	38,61,760.00	41,67,760.00
(c) Contribution to provident and other funds	29,94,741.00	25,24,580.00
(d) Contribution to gratuity fund	4,23,178.00	4,00,000.00
(e) Staff medical insurance	3,45,000.00	5,75,033.00
(f) Lodging and boarding	7,65,829.00	7,39,021.00
(g) Staff Welfare	30,69,896.22	30,00,484.00
	2,56,42,563.22	2,43,30,153.00

24 Finance Costs

	March 31, 2018	(Amount in ₹) March 31, 2017
(a) <u>Interest paid to banks</u>		
On Cash Credit facility	47,25,782.29	48,58,468.60
On term loans	16,15,115.00	22,84,557.00
On vehicles loans	1,25,006.00	82,817.00
(b) Others Interest payments	7,69,925.00	7,43,349.00
	72,35,828.29	79,69,191.60

25 Other Expenses

(a) Advertisement expenses	74,248.00	38,000.00
(b) Commission	15,52,581.00	6,61,500.00
(c) Debit and credit balances written off	(78,220.99)	-
(d) Legal and professional fees	23,43,967.00	23,35,546.00
(e) Vehicle expenses	12,66,356.00	11,21,139.00
(f) Travel and conveyance	17,08,974.80	23,96,337.97
(g) Electricity	2,91,530.00	2,77,920.00
(h) Insurance	2,62,310.00	10,90,692.00
(i) Membership and subscription	28,414.00	2,21,110.00
(j) Postage and courier	1,02,311.00	90,101.00
(k) Printing and stationer	4,39,831.50	6,58,132.00
(l) Rents	30,54,995.00	25,58,585.00
(m) Rates and Taxes	22,53,592.75	19,64,161.00
(n) Repairs and maintenance - buildings	18,19,320.20	8,27,113.00
(o) Repairs and maintenance - others	10,57,901.75	14,02,474.00
(p) Sales promotion	19,25,819.00	10,41,734.50
(q) Security Charges	4,39,920.00	4,23,236.00
(r) Communication	5,54,555.20	7,43,095.43
(s) Bank Charges	15,68,094.71	7,80,880.26
(t) Miscellaneous expenses	3,91,255.63	3,97,904.00
(u) Payment to Auditor	6,50,000.00	5,00,000.00
	2,17,07,756.55	1,95,29,661.16

26 Earnings Per Equity Share

Basic/Diluted Earnings Per Share		
Profit/ (loss) attributable to Equity Shareholders	1,89,99,260	1,60,92,502
Weighted Average number of equity shares	58,58,838	50,00,000
Basic Earnings Per Share	3.24	3.22
Face Value Per Share	10	10

As per our report of even date

FOR MEHTA BHARAT & ASSOCIATESChartered Accountants
FRN 106192W**B. H. MEHTA**
Proprietor
MRN - 031818Place : **Mumbai**Date: **May 11, 2018****FOR & ON BEHALF OF THE BOARD****R. C VISHWAKARMA**
Managing Director
DIN - 00091492**M. C. VISHWAKARMA**

Chief Financial Officer

N. C VISHWAKARMA
Director
DIN - 00103447**DHARA P. SHAH**

Company Secretary

NOTES

[illegible]

21st Annual General Meeting
OMFURN INDIA LIMITED

Form No. MGT-11

FORM OF PROXY

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

CIN	U20200MH1997PTC111887
Name of the Company	OMFURN INDIA LIMITED
Registered office	109, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai - 400101
Name of the member(s)	
Registered Address	
Email ID	
Folio ID / Client ID-DP IF	

I/We, being a member(s) of _____ shares of Omfurn India Limited hereby appoint:

1. Mr./Mrs. _____
Address _____
Email Id: _____
Signature _____
Or Failing him _____
2. Mr./Mrs. _____
Address _____
Email Id: _____
Signature _____
Or Failing him _____
3. Mr./Mrs. _____
Address _____
Email Id: _____
Signature _____
Or Failing him _____

As my/our proxy to attend and vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company to be held on Friday, August, 10, 2018 at 11.00 a.m at the Registered Office of the Company at 109, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai - 400101 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Options	
Ordinary Resolutions:		For	Against
1	Adoption of Audited Annual Financial Statements		
2	Re-appointment of Mr. Mahendra C. Vishwakama, who retires by rotation		
3	Appointment of Statutory Auditors and fixing their remuneration		
Special Business:			
4	Approval of Material Related Party Transactions		

Signed this _____ day of _____ 2018.

Signature of the Shareholders _____

Signature of Proxy holder(s) _____

Affix ₹ 1
Revenue
Stamp

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

21st Annual General Meeting

OMFURN INDIA LIMITED

ATTENDANCE SLIP

Folio No:	DP ID:
Client ID No:	No of Shares held:

I/We record my/our presence at the 21st Annual General Meeting to be held on Friday, August 10, 2018 at 11.00 a.m. at the Registered Office of the Company at 109, Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai - 400101.

Name of the Shareholder/Proxy (In Block letters):

Signature of the Shareholder/Proxy:

NOTE:

1. You are requested to sign and handover this slip at the entrance of the meeting venue.
2. Members are requested to bring their copy of Annual Report for reference at the Meeting.



If undelivered please return to:

OMFURN INDIA LIMITED

109, GUNDECHA INDUSTRIAL COMPLEX, AKURLI ROAD, KANDIVALI (EAST), MUMBAI - 400101