



महाराष्ट्र MAHARASHTRA

2023

28 DEC 2023

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THIS STAMP PAPER FORMS AN INTEGRAL PART OF MEMORANDUM OF UNDERSTANDING AGREEMENT BETWEEN OMFURN INDIA LIMITED ("THE COMPANY"/ "THE ISSUER COMPANY" / "ISSUER" / "OMFURN") AND GRETEX CORPORATE SERVICES LIMITED ("GRETEX" / "BOOK RUNNING LEAD MANAGER" / "BRLM")

For Omfurn India Limited

Rajendra Chitbahal Vishwakarma
Managing Director
DIN: 00091492



For Gretex Corporate Services Limited

Arvind Harlalka
Director
DIN: 00494136





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For Omfurn India Limited

Rajendra Chitbahal Vishwakarma
Managing Director
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For Gretex Corporate Services Limited

Arvind Harlalka
Director
DIN: 00494136



**MEMORANDUM OF UNDERSTANDING BETWEEN THE LEAD MANAGER TO THE ISSUE
AND THE COMPANY**

THIS MEMORANDUM OF UNDERSTANDING MADE ON DECEMBER 28, 2023 AT MUMBAI BETWEEN,

OMFURN INDIA LIMITED, a Company incorporated under the Companies Act, 1956 and having its Registered Office at **109, Gundecha Industrial Complex Akrurli Road Kandivali East, Mumbai, Maharashtra, India, 400101**. (Hereinafter referred to as **"the Company"/ "the Issuer Company"/ "Issuer"/ "Omfurn"**) which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **FIRST PART**;

AND

GRETEX CORPORATE SERVICES LIMITED, a Company registered under the Companies Act, 1956, and having its registered office at **A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (West), Delisle Road, Mumbai – 400013, Maharashtra, India** (hereinafter referred to as **"GRETEX"** or **"Book Running Lead Manager "BRLM"**) which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns of the **SECOND PART**;

WHEREAS:

The Company is proposing to Further public issue of equity shares of Rs. 10 each (the **"Equity Shares"**) of the Company comprising a fresh issue of up to 36,00,000 Equity Shares by the Company (the **"Fresh Issue"**)(the Fresh Issue shall collectively be referred to as the **"Offer"**, unless the context so requires); in accordance with the Companies Act (as defined herein below), SEBI ICDR Regulations (as defined herein below) and other applicable laws at such price as may be determined by the Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process under the SEBI ICDR Regulations, 2018 as amended from time to time at a price as may be disclosed in Prospectus filed with ROC being (the **"Issue Price"**). The Offer will be made (i) within India to Indian institutional, non-institutional and retail investors in reliance on Regulation S under the United States Securities Act of 1933, and (ii) outside the United States and India, in offshore transactions in reliance on Regulation S, and in each case, in compliance with applicable Indian law.

- A.** The Company is proposing to an further public issue of equity shares of Rs. 10 each (the **"Equity Shares"**) of the Company comprising a fresh issue of up to 36,00,000 Equity Shares by the Company (the **"Fresh Issue"**)(the Fresh Issue shall collectively be referred to as the **"Offer"**, unless the context so requires); in accordance with the Companies Act (as defined herein below), SEBI ICDR Regulations (as defined herein below) and other applicable laws at such price as may be determined by the Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process under the SEBI ICDR Regulations, 2018 as amended from time to time at a price as may be disclosed in Prospectus filed with ROC being (the **"Issue Price"**). The Offer will be made (i) within India to Indian institutional, non-institutional and retail investors in reliance on Regulation S under the United States Securities Act of 1933, and (ii) outside the United States and India, in offshore transactions in reliance on Regulation S, and in each case, in compliance with applicable Indian law.

For Omfurn India Limited



Rajendra Chitbahal Vishwakarma
Managing Director
DIN: 00091492



For Gretex Corporate Services Limited



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- B. The issue is being made in accordance with Chapter IX of the SEBI ICDR Regulations as amended, applicable for the issue of specified securities by Small and Medium Enterprises (“SMEs”).
- C. The Company has approached M/S GRTEEX CORPORATE SERVICES LIMITED to manage the Issue as the Book Running Lead Manager (“BRLM”) on an exclusive basis. The BRLM has accepted the mandate in terms and conditions of its Mandate Letter with M/s OMFURN INDIA LIMITED (the “Mandate Letter”), subject to the terms and conditions set out therein subject to the Company entering into a Memorandum of Understanding for the purpose being these present: -

NOW, THEREFORE, the Company and the BRLM do hereby agree as follows: -

1. The Issue would be lead managed by the BRLM.
2. Any change by way of addition to and deletion from the Issue Management team may be effected in prior consultation with the BRLM.
3. The Company hereby declares that it has complied with or agrees to comply with all the statutory formalities under the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other conditions, instructions and advices issued by Securities and Exchange Board of India (hereinafter referred to as “the Board”) and other relevant statutes to enable it to make the Issue. The Company also undertakes to comply with the following requirements as and where applicable before opening of the Subscription List:
 - a. Approval of lenders regarding the Issue.
 - b. Necessary Clearances from Government / Statutory Bodies / Municipal Authorities regarding the Project.
4. The Board of Directors of the Company (the “Board”) has, pursuant to a board resolution dated August 22, 2023 have authorized the issue and the shareholders of the Company has approved the issue by way of a special resolution adopted, pursuant section 23, 32 and 62 of the Companies Act, 2013 at the Annual General Meeting of the shareholders of the company held on September 26, 2023.
5. The Company undertake and declare that any information made available to the BRLM or any statement made in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus (collectively referred to as “Issue Documents”) shall be complete in all respects and shall be true and correct and that under no circumstances it shall give or withhold any information or statement which is likely to mislead the investors.
6. The Company also undertake to furnish complete audited report(s) (in case of a corporate body), other relevant documents, papers, information relating to pending litigations, etc., to enable the BRLM to corroborate the information and statements given in the Issue Documents.

The Company accept full responsibilities to update the information provided earlier and duly communicate to the BRLM in cases of all changes in materiality of the same subsequent to submission of the Issue document to SEBI but prior to opening date of Issue.

The Company accept full responsibility for consequences if any, for making false misleading information or withholding, concealing material facts which have a bearing on the Issue.

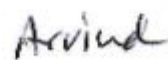
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7. The Company shall, if so required, extend such facilities as may be called for by the BRLM to enable it to visit the plant site, office of the Company or such other place(s) to ascertain for itself the true state of as of the Company including the progress made in respect of the project implementation, status and other facts relevant to the Issue.
8. The Company shall extend all necessary facilities to the BRLM to interact on any matter relevant to the Issue with the solicitors / legal advisors, auditors, co-managers, consultants, advisors to the Issue, the financial institutions, banks or any other organisation, and also with any other intermediaries who may be associated with the Issue in any capacity whatsoever.
9. The Company shall ensure that all advertisements prepared and released by the Advertising Agency or otherwise in connection with the Issue confirm to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the instructions given by the BRLM from time to time and that they shall not make any misleading or incorrect statements in any public communication or publicity material including corporate, product and Issue advertisements of the Company, interviews by its promoters, Directors, duly authorised employees, representatives of the Company, documentaries about the Company or its Promoters, periodical reports and press releases issued by the Company or research report made by the Company, any intermediary concerned with the Issue or their associates or at any press, brokers' or investors' conferences.
10. The Company shall not without prior approval of the BRLM, appoint other intermediaries (except Self Certified Syndicate Banks) or other persons associated with the Issue such as Advertising Agencies, Printers, etc. for printing the application forms, allotment advices, allotment letters, share certificates / debenture certificates, refund orders / unblocking of funds or other instruments, circulars or advices.
11. The Company shall whenever require and wherever applicable, in consultation with the BRLM, enter into an agreement with the concerned intermediary associated with the Issue, clearly setting forth their mutual rights, responsibilities and obligations. A certified true copy of such agreements shall be furnished to the BRLM.
12. The Company shall take such steps as are necessary to ensure the completion of allotment and despatch of letters of allotment and refund orders / unblocking of funds to the applicants including Non-Residents Indians soon after the basis of allotment is approved by the Designated Stock Exchanges but not later than the specified time limit and in the event of failure to do so, pay interest to the applicants as provided under the Companies Act, 1956 and 2013 as disclosed in the Issue Document.
13. The Company shall take steps to pay the underwriting commission and brokerage to the underwriters and stock brokers, etc., within the time specified in any agreement with such underwriters, stock brokers, etc. or within a reasonable time.
14. The Company shall undertake to furnish such information and particulars regarding the Issue as may be required by the BRLM to enable them to file a report with SEBI in respect of the Issue.
15. The Company shall keep the BRLM informed if it encounters any problem due to dislocation of communication system or any other material adverse circumstance which is likely to prevent or which has prevented the Company from complying with its obligations, whether statutory or contractual, in respect of the matters pertaining to allotment, dispatch of Refund Orders / Unblocking of Funds, Share Certificates, Debenture Certificates, Demat Credit, etc.

For Omfurn India Limited



Rajendra Chitbahal Vishwakarma
Managing Director
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16. The Company shall not resort to any legal proceedings in respect of any matter having a bearing on the Issue except in consultation with and after receipt of advice from the BRLM.
17. The Company shall in consultation with the BRLM, file the Issue Document(s) with Registrar of Companies / Stock Exchanges and declare, determine the Record Date / the Issue Opening Date.
18. The BRLM shall have the right:
 - ⇒ To call for complete details from the promoters of all firms in which the Company and their promoters / directors are connected in any way.
 - ⇒ To call for any reports, documents, papers, information etc., necessary from the Company to enable it to certify that the statements made in the Issue are true and correct.
 - ⇒ To withhold submission of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus to SEBI in case any of the particulars, information, etc., called for is not made available by the company.
19. The responsibility of the BRLM would be limited to the activities as agreed upon in Inter-se-allocation of responsibilities.
20. The services rendered by the BRLM are on best efforts basis and in an advisory capacity. The BRLM shall not be held responsible for any acts or omissions by the Company.
21. Any action in connection with the Issue, on behalf of or by the Company shall be subject to prior consultation of the BRLM.
22. The Company shall hereby indemnify and keep indemnified the BRLM, at all times from any claim or demand arising out of or in connection with or in relation to the Issue and holds the BRLM harmless, against all actions, losses, damages, claims, penalties, expenses, suits or proceedings of whatsoever nature made, suffered or incurred consequent thereupon.
23. The Company shall in mutual consultation, agree and abide by the advice of the BRLM to suitably defer / postpone the Issue in the event of any happenings which in the opinion of the BRLM would tend to paralyse or otherwise have an adverse impact on the political or social life or economic activity of the society or any section of it, and which is likely to affect the marketing of the Issue.
24. The BRLM shall have the right to withdraw from the Issue if it is felt that it is against the interest of the investors. i.e., if the BRLM finds non-compliances of SEBI (ICDR) Regulations, 2018 and any other major violations of the Laws of the Land by the Company and Company related entities.
25. The Company shall not access the moneys raised in the Issue till finalisation of basis of allotment or completion of Issue formalities.
26. The Company shall refund / unblocking of moneys raised in the Issue to the applicants if required to do so for any reason such as failing to get listing permission or under any direction or order of the Board.

<p>For Omfurn India Limited</p>  <p>Rajendra Chitbahal Vishwakarma Managing Director DIN: 00091492</p>		<p>For Gretex Corporate Services Limited</p>  <p>Arvind Harlalka Director DIN: 00494136</p> 
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The Company shall pay requisite interest amount if so, required under the laws or direction of order of the Board.

27. Further, a separate agreement for syndication / underwriting shall be executed at later stage.
28. Time Frame: The assignment is expected to be completed in the shortest / quickest possible time. However, it is to be distinctly understood that the pace of the progress of the transaction would depend on the time taken for statutory clearances and the flow of information from the Company / Promoters and top management.
29. For all the services rendered and to be rendered, the BRLM shall be paid fees as per the Engagement letter and as per the terms and condition mutually agreed between the company and BRLM.

All other expenses such as Legal Advisor Fees, Secretarial Fees, Public Issue Banker Charges, Marketing fees, Publicity, Depository Fees, Mandatory Statutory Advertisement Fees, Printing and Logistic of Prospectus and Forms, Stock Exchange and SEBI filing and bidding software fees, Registrar fees including NSDL and CDSL connectivity, Issue Brokerage, Underwriting, Market Making Fees and other Miscellaneous Expenses would be borne directly by our Company on actual basis.

In addition to the above 1% of Issue Size has to be paid to the Stock Exchange directly by your company before FPO as security deposit which is refundable after 2 months of the listing.

Termination Clause

The engagement shall be valid for a period of one year from the date of signing of MoU and may be extended for a further period by mutual MoU between the parties.

Notwithstanding the above, the MoU shall terminate on the occurrence of any of the following:

- I. Mutual Consent between our Company & GRETEX; or
- II. By either our Company or GRETEX upon giving 30 days written notice thereof to the other party; or
- III. By Completion of the Transaction;
- IV. If our Company decided not to proceed with the Transaction, on receipt of such information by GRETEX.

In case of expiry of MoU or in case our Company terminates this MoU, the amount incurred by GRETEX upto the date of termination of MoU will only be considered valid. Notwithstanding the above after receipt of approval from NSE under EMERGE Platform of National Stock Exchange of India Limited, if our Company does not proceed with the FPO, fees shall still be payable to GRETEX as mentioned in the Engagement Letter.

GST & other taxes shall be payable extra in addition to above fees as applicable at the time of payment.

Underwriting Fees shall be mutually decided on a later stage.

The fees shall become due and payable as soon as the above event is completed. At no stage would any of the fees be refunded or become refundable, even if the assignment is not completed for any reason

For Omfurn India Limited



Rajendra Chitbahal Vishwakarma
Managing Director
DIN: 00091492



For Gretex Corporate Services Limited



Arvind Harlalka
Director
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whatsoever. Payments (be it fees, out-of-pocket expenses or any other amount whatsoever) after 15 days from the date of bill / due date shall attract penal charges @ 15% p.a. till the date of settlement.

30. In the event of breach of any of the conditions mentioned above, the BRLM shall have the absolute right to take such action as it may in its opinion determine including but not limited to withdrawing from the Issue Management. In such an event the Company will be required to reimburse all costs and expenses incurred as determined mutually and also such fee for services rendered till such date of withdrawal, as may be determined mutually by Company and BRLM.
31. If any dispute or difference shall arise between the parties to this agreement as to the interpretation of this agreement or any covenants or conditions thereof or as to the rights, Duties or liabilities of any parties hereunder or as to any act, matter or thing arising out of or under this agreement (even though the agreement may have been terminated) and the same shall be referred to a mutually agreed arbitrator who shall proceed as per Arbitration and Conciliation Act, 1996. The seat, or legal place, of arbitration shall be Mumbai and the language to be used in the arbitral proceedings shall be English / Hindi.
32. Confidentiality: All information provided by the Company would be kept confidential and would be used for the purpose of due diligence and with a view to decide on whether the same has to be disclosed in the Issue Document to conform to SEBI Regulations.

Information provided shall be used exclusively for the purpose of the transaction only.

IN WITNESS WHEREOF the parties hereto have set their hands on the day and the year hereinabove written.

<p>For and on behalf of For OMFURN INDIA LIMITED</p>  <p>Rajendra Chitbahal Vishwakarma Managing Director DIN: 00091492</p>	<p>Witness</p> <p>Name: <i>Mahendra. C. Vishwakarma</i></p> <p>Address:</p> <p>Signature </p>
<p>For and on behalf of GRETEX CORPORATE SERVICES LIMITED</p>  <p>Arvind Harlalka Director DIN: 00494136</p>	<p>Witness</p> <p>Name:</p> <p>Address:</p> <p>Signature</p>

<p>For Omfurn India Limited</p>  <p>Rajendra Chitbahal Vishwakarma Managing Director DIN: 00091492</p> 	<p>For Gretex Corporate Services Limited</p>  <p>Arvind Harlalka Director DIN: 00494136</p> 
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