



OMFURN INDIA LIMITED

27th

ANNUAL REPORT 2023-2024



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

MR. RAJENDRA C VISHWAKARMA
 MR. MAHENDRA C VISHWAKARMA
 MR. NARENDRA C VISHWAKARMA
 MR. PARAG S EDWANKAR
 MR. PRASAD N CHIRRAVURI
 MR. SUDHIR J SHAH
 MS. GEETA
 MR. PRASHANT R VISHWAKARMA
 MR. PARMANAND M VISHWAKARMA
 MR. MADHAV P DESHPANDE

DESIGNATION

MANAGING DIRECTOR
 WHOLE TIME DIRECTOR & CFO
 DIRECTOR & CEO
 NON-EXECUTIVE INDEPENDENT DIRECTOR
 NON-EXECUTIVE INDEPENDENT DIRECTOR
 CHAIRMAN & NON-EXECUTIVE INDEPENDENT DIRECTOR
 NON-EXECUTIVE INDEPENDENT DIRECTOR
 WHOLE TIME DIRECTOR
 WHOLE TIME DIRECTOR
 NON-EXECUTIVE INDEPENDENT DIRECTOR
 (RESIGNED W.E.F 02.08.2024)

CHIEF FINANCIAL OFFICER

MR. MAHENDRA C VISHWAKARMA

REGISTERED OFFICE:

109, GUNDECHA INDUSTRIAL COMPLEX,
 AKURLI ROAD, KANDIVALI EAST, MUMBAI-400101.
 TEL: 022 4210 8900

COMPANY SECRETARY

MS. DHARA P SHAH

MANUFACTURING PLANT:

PLOT NO. 6, 7 & 8, 52 HECTOR, EXPANSION AREA,
 NEW GIDC, UMBERGAON - 396171, GUJARAT.

STATUTORY AUDITORS

M/S. C B MEHTA & ASSOCIATES

REGISTRAR AND SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE LIMITED,
 ADDRESS : S6-2, 6TH FLOOR, PINNACLE BUSINESS PARK,
 NEXT TO AHURA CENTRE, MAHAKALI CAVES ROAD,
 ANDHERI EAST, MUMBAI – 400059.
 PHONE: 022 – 62638200

BANKER

UNION BANK OF INDIA

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CHAIRMAN'S SPEECH

Dear Stakeholders,

I welcome you all at the 27th Annual General Meeting of Omfurn India Limited. The performance of the Company for the Financial Year 2023-24 has increased and has enabled the improved execution of our strategy and drive sustainable profitable growth over the long term.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. Government aimed to create 100 million new jobs in the sector by 2022.

Your Company is deeply committed to our duty to nature and our planet Earth. We believe in providing environmentally sustainable products to protect our heritage for future generations. For this purpose, we are Green Building Certified and have completed Greenfield Projects in India.

Our business to metal door industry has been expanding at a significant pace with new players coming into the market. We intend to tap this potential by expanding our existing capacity at our Unit which will enable us to deliver the requirements of these industries which require steel doors.

The factory is equipped with the latest CNC woodworking machines. These machines are known for their precision and efficiency, which allow us to manufacture furniture products with accuracy and quality. Our Company also have an in-house design facility that provides complete furniture solutions, keeping in mind constant evolutions in international designs. Our in-house design facility is also an integral part of our infrastructure, as it enables us to provide complete furniture solutions that are in line with the latest design trends.

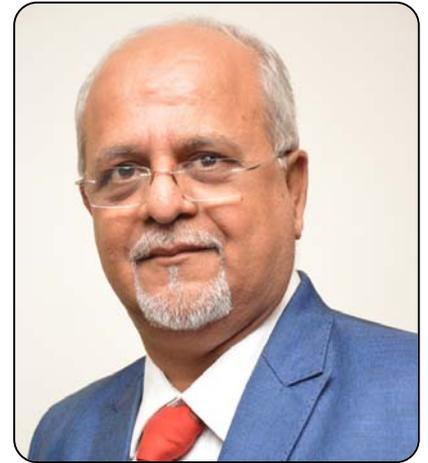
The Company has adequate number of employees at its Registered Office and Factory at Umbergaon and there is no labour unrest.

I would like to acknowledge the hard work, dedication of our talented employees for their passion and dedication with which they continue to contribute to the culture of excellence. We thank you all for your continued support in our growth. Further also thank you, our investors, for your patience, for showing confidence and trust in management capabilities and guidance thus far and looking forward to the future with optimism and innovation.

Warm Regards

Sudhir J Shah

Chairman



NOTICE

Notice is hereby given that the 27th Annual General Meeting (“AGM”) of the members of Omfurn India Limited (the “Company”) will be held on Saturday, September 21, 2024 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, 2024 along with the Reports of the Directors’ and Auditors’ thereon.
2. To appoint a Director in place of Mr. Narendra C Vishwakarma (DIN: 00103447), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of Audit Committee and Board of Directors of the Company, M/s. Ashok Shetty & Co., Chartered Accountants, Mumbai (Firm Registration No. 117134W), be and are hereby appointed as Statutory Auditors of the Company for a period of five (5) consecutive years, to hold office from the conclusion of this 27th Annual General Meeting till the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2029, at such remuneration as shall be fixed by the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution.”

SPECIAL BUSINESS:

4. To consider re-appointment of Mr. Prasad N Chirravuri (DIN:08604812) for the second term of 5 years as a Non-Executive Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Mr. Prasad N Chirravuri (DIN: 08604812), whose present term of office as an Independent Director expires on 6th November, 2024 and who has given his consent for the re-appointment and who has submitted a declaration that he meets the criteria for Independence under Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment and in respect of whom notice has been received from a Member under Section 160 of the Act signifying the intention to propose his candidature for the office of Director and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors, consent of the members be and is hereby accorded to re-appoint Mr. Prasad N Chirravuri (DIN: 08604812) as an Independent Director of the Company, for a second term of five (5) consecutive years with effect from 7th November, 2024 to 6th November, 2029 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the any of the Directors of the Company, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

5. To consider re-appointment of Ms. Geeta (DIN:08769814) for the second term of 5 years as a Non-Executive Independent Director of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 as amended, Ms. Geeta (DIN: 08769814), whose present term of office as an Independent Director expires on 26th June, 2025 who has given her consent for the re-appointment and who has submitted a declaration that she meets the criteria for Independence under Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment and in respect of whom notice has been received from a Member under Section 160 of the Act signifying the intention to propose her candidature for the office of Director and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors, consent of the members be and is hereby accorded to re-appoint Ms. Geeta (DIN: 08769814) as an Independent Director of the Company for a second term of 5 (Five) consecutive years with from 27th June, 2025 to 26th June, 2030 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the any of the Directors of the Company, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By Order of the Board of Directors
Omfurn India Limited

Dhara Pratik Shah
Company Secretary

Place: Mumbai
Date: August 3, 2024

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 Item No. 3 to 5 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. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of 27th AGM, i.e. September 21, 2024. Members seeking to inspect such documents can send an email to dharashah@omfurnindia.com
10. The Register of Members & Share Transfer Books of the Company will remain closed from Saturday, September 14, 2024 to Saturday, September 21, 2024 (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 Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, next to Ahura Centre, Andheri East, Mumbai-400093, Maharashtra 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. In compliance with the aforesaid MCA circulars and SEBI circulars, Notice of the AGM along with the Annual Report is being sent through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website, website of SME Emerge Platform of National Stock Exchange of India and on the website of National Securities Depository Limited (NSDL).
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 23, 2024.
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 27th 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.
19. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
20. For receiving all communication (including Annual Report) from the Company, members are requested to register/update their email addresses with the relevant Depository participant.
21. The instructions for members for remote e-voting are as under:-

The remote e-voting period begins on Wednesday, September 18, 2024 at 09:00 A.M. and ends on Friday, September 20, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 13, 2024 may cast their vote electronically. The voting right of shareholders

shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 13, 2024.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

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

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

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;">  <p>NSDL Mobile App is available on  App Store  Google Play  </p> </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. |

| | |
|--|--|
| | <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting. |

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. **If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to acs.pmehta@gmail.com with a copy marked to evoting@nsdl.com Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to

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

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to धारशाह@omfurnindia.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to धारशाह@omfurnindia.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
22. Members who would like to express their views/have questions during the AGM may register themselves as speaker by sending their questions atleast 10 days in advance from their registered email address mentioning their name, demat account number/folio number, PAN, email id, mobile number at धारशाह@omfurnindia.com. The same will be replied by the company suitably. Those members who have registered themselves as speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on availability of time for the AGM for smooth conduct of the AGM.
23. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting and shall make, not later than two working days of 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 declare the result of the voting forthwith.
24. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.omfurnindia.com and on the website of NSDL within two working 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.

By Order of the Board of Directors
Omfurn India Limited

Dhara Pratik Shah
Company Secretary

Place: Mumbai
Date: August 3, 2024

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

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. Narendra C Vishwakarma. |
| Director Identification Number(DIN) | 00103447 |
| Date of birth | 22 nd January, 1978 |
| Nationality | Indian |
| Date of Appointment on Board | 30 th June, 2004 |
| Qualification | B.A, LL.B |
| Capacity | Executive Director and CEO |
| Relationships between Directors Inter-se | Mr. Rajendra Vishwakarma and Mr. Mahendra Vishwakarma are related as brothers |
| Area of Experience | He looks after the operations and also interacts with the representatives of customers. He also looks after the coordination of site personnel for smooth functioning. |
| Shareholding in Omfurn India Limited | 10,20,000 equity shares |
| Number of Meeting of the Board attended during the year | Attended all the 8 meetings held during the financial year. |
| 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 |
| Terms and conditions of appointment/ re-appointment | Appointment as a Director subject to retirement by rotation |
| Details of remuneration sought to be paid | Entitled to remuneration as per the limits set out in the Act and as approved by the Board and Shareholders of the Company. |
| Details of last Remuneration drawn | Kindly refer notes to accounts |

ANNEXURE TO ITEM NO. 4, & 5 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. Prasad N Chirravuri | Ms. Geeta |
| Director Identification Number(DIN) | 08604812 | 08769814 |
| Date of birth | 11 th November, 1967 | 10 th June, 1988 |
| Nationality | Indian | Indian |
| Date of Appointment on Board | 7 th November, 2019 | 27 th June, 2020 |
| Qualification | Diploma in Interior Designing and Decoration | Post Graduate Diploma in Business Administration (Finance) and Bachelors in Banking & Insurance |
| Capacity | Non-Executive Independent Director | Non-Executive Independent Director |
| Number of Meeting of the Board attended during the year | Attended all the 8 meetings held during the financial year. | Attended all the 8 meetings held during the financial year. |
| Relationships between Directors Inter-se | N.A | N.A |
| Terms and conditions of appointment/ re-appointment | Re-Appointment as a Non-Executive Independent Director. | Re-Appointment as a Non-Executive Independent Director. |
| Area of Experience | He has successfully designed in numerable bungalows, flats, offices, hospitals, clinics, few banks, restaurants, photos studio, play schools & mosque. His main strength lies in his ability to understand the client which he constantly strives to inculcate in his associates. He is also handling civil works for residential, commercial and industrial complexes. | She has worked on software's like SAP, CRM, Tally 9.0, MAP and Aircheck. She is proficient in creating master base file with ingredient and growthdrivers. |
| Shareholding in Omfurn India Limited | NIL | NIL |
| List of Directorships held in other Companies(excluding foreign, private and Section 8 Companies) | NIL | NIL |
| Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies (excluding Omfurn India Limited) | NIL | NIL |
| Details of remuneration sought to be paid | Entitled to sitting fees for attending Meetings of the Board/ Committees as per the limits set out in the Act. | Entitled to sitting fees for attending Meetings of the Board/ Committees as per the limits set out in the Act. |
| Details of last remuneration drawn | NA | NA |

Explanatory Statement under Section 102 of the Companies Act, 2013:**Item No. 3:—****Statutory Auditors**

The tenure of M/s. C B Mehta & Associates, Chartered Accountants, (ICAI Firm Registration No.124978W), Chartered Accountants as Statutory Auditors is expiring at the conclusion of 27th Annual General Meeting. The Audit Committee and the Board of Directors have placed on record their appreciation for the professional services rendered by M/s C B Mehta & Associates, Chartered Accountants during their association with the Company as its auditors.

In accordance with the Companies Act, 2013 and on the recommendation of the Audit Committee, the Board of Directors at its meeting held on August 3, 2024 proposed and recommended the appointment of M/s. Ashok Shetty & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 117134W), a peer reviewed firm as Statutory Auditors of the Company for a period of five consecutive years i.e. to hold the office from conclusion of this 27th AGM till the conclusion of 32nd AGM to be held in the year 2029 at a remuneration as may be fixed by Board of Directors of the Company and the Auditors.

M/s. Ashok Shetty & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 117134W) is a firm of Chartered Accountants. They provide services related to statutory audit, income tax, goods and service tax returns, ITR filings and other related services.

M/s. Ashok Shetty & Co., Chartered Accountants, have provided their consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Board, based on the recommendation of Audit Committee, has proposed to pay them fees of Rs.6.5 lakhs (Statutory and Tax Audit fee) and applicable taxes, for the financial year 2024-25.

The Board recommends the ordinary resolutions as set out in Item No. 3 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolutions as set out in Item No. 3 of the Notice.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under SEBI Listing Regulations.

Item No: 4

Mr. Prasad N Chirravuri is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in November, 2019. Mr. Prasad N Chirravuri is a member of Nomination and Remuneration Committee, Audit Committee and Stakeholders Relationship Committee. He has done his diploma in interior designing and decoration in the year 1992. He has successfully designed innumerable flats, bungalows, offices, hospitals etc. His main strength lies in his ability to understand the client.

In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Prasad N Chirravuri was appointed for a period of 5 years being the first term and whose present term of office as an Independent Director expires on 6th November, 2024, who has given his consent for the re-appointment and in respect of whom Notice has been received from a Member under Section 160 of the Act signifying the intention to propose his candidature for the office of Director for re-appointment as an Independent Director for second term of 5 (Five) years from 7th November, 2024 to 6th November, 2029.

The Company has received a declaration from Mr. Prasad N Chirravuri that he meets with the criteria of Independence as prescribed both under sub-section (6) of section 149 of the Act and regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have complied with sub-rule (1) and sub-rule (2) of Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and his name has been included in the data bank of the 'Indian Institute of Corporate Affairs at Manesar'.

The Board is of the opinion that Mr. Prasad N Chirravuri is independent of the management and is a person of integrity and possesses relevant expertise and vast experience and brings an independent judgement on the Board's

discussions especially on issues related to finance, handling civil works for residential, commercial and industrial complexes.

The Board of Directors at their meeting held on 3rd August, 2024 and on the recommendation of the Nomination & Remuneration Committee held on 3rd August, 2024 and considering the expertise, experience and contributions made by Mr. Prasad N Chirravuri to the Company, approved his re-appointment for second term of 5 years and continuation of his re-appointment as a Non-Executive Independent Director of the Company, not liable to retire by rotation, subject to the approval of the members of the Company at the ensuing Annual General Meeting.

Mr. Prasad N Chirravuri is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has consented to act as Director of the Company.

Copy of the draft letter for re-appointment of Mr. Prasad N Chirravuri as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company on any working day (excluding Saturday and public holidays) between 11.00 AM and 1.00 PM, up to the date of ensuing Annual General Meeting.

Mr. Prasad N Chirravuri does not hold any Equity Shares in the Company and is not related to any other Directors and Key Managerial Personnel of the Company.

Accordingly, the Board recommends the re-appointment of Mr. Prasad N Chirravuri as an Independent Director for a second term of five (5) years for passing by the Members of the Company as a Special Resolution.

Except Prasad N Chirravuri (being an appointee), none of the other Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, in any way, either financially or otherwise in the Resolution set out at Item No. 4 of this Notice.

Item No.5

Ms. Geeta is a Non-Executive Independent Director of the Company. She joined the Board of Directors of the Company in June, 2020. Ms. Geeta is a member of Nomination and Remuneration Committee and Stakeholders Relationship Committee. She is a post graduate diploma in Business administration (Finance) from Symbiosis International University. She also completed her Bachelors in Banking & Insurance. She has worked on software's like SAP, CRM, Tally 9.0, MAP & Aircheck. She is also proficient in creating master base file with ingredient and growth drivers. She has also worked with various listed companies like Ranbaxy Laboratories Limited, Asian PPG Industries Limited.

In terms of Section 149 and other applicable provisions of the Companies Act 2013, Ms. Geeta was appointed for a period of 5 years being the first term and whose present term of office as an Independent Director expires on 26th June, 2025 who has given her consent for the re-appointment and in respect of whom Notice has been received from a Member under Section 160 of the Act signifying the intention to propose her candidature for the office of Director for re-appointment as an Independent Director for second term of 5 (Five) years from 27th June, 2025 to 26th June, 2030.

The Company has received a declaration from Ms. Geeta that she meets with the criteria of Independence as prescribed both under sub-section (6) of section 149 of the Act and regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have complied with sub-rule (1) and sub-rule (2) of Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and her name has been included in the data bank of the 'Indian Institute of Corporate Affairs at Manesar'.

The Board is of the opinion that Ms. Geeta is independent of the management and is a person of integrity and possesses relevant expertise and vast experience and brings an independent judgement on the Board's discussions.

The Board of Directors at their meeting held on 3rd August, 2024 and on the recommendation of the Nomination & Remuneration Committee held on 3rd August, 2024 and considering the expertise, experience and contributions made by Ms. Geeta to the Company, approved her re-appointment for second term of 5 years and continuation of her re-appointment as a Non-Executive Independent Director of the Company, not liable to retire by rotation, subject to the approval of the members of the Company at the ensuing Annual General Meeting.

Ms. Geeta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has consented to act as Director of the Company.

Copy of the draft letter for re-appointment of Ms. Geeta as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company on any working day (excluding Saturday and public holidays) between 11.00 AM and 1.00 PM, up to the date of ensuing Annual General Meeting.

Ms. Geeta does not hold any Equity Shares in the Company and is not related to any other Directors and Key Managerial Personnel of the Company.

Accordingly, the Board recommends the re-appointment of Ms. Geeta as an Independent Director for a second term of five (5) years for passing by the Members of the Company as a Special Resolution.

Except Ms. Geeta (being an appointee), none of the other Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, in any way, either financially or otherwise in the Resolution set out at Item No. 5 of this Notice.

By Order of the Board of Directors
Omfurn India Limited

Dhara Pratik Shah
Company Secretary

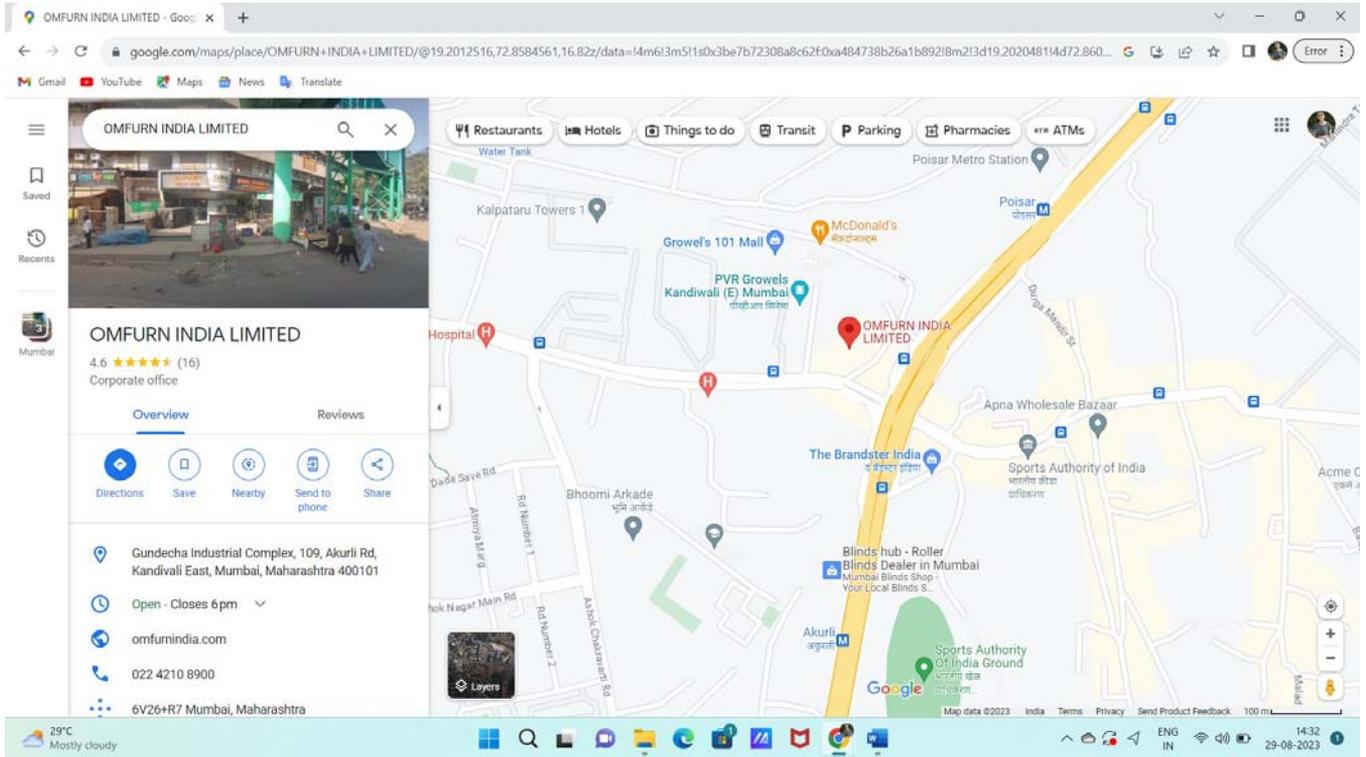
Place: Mumbai
Date: August 3, 2024

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

ROUTE MAP TO THE VENUE OF 27th 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

Your Directors present the 27th Annual Report on the business and operations of Omfurn India Limited ("the Company") along with the Audited Financial Statements, for the Financial Year ended March 31, 2024.

1. **FINANCIALS:**

a. **FINANCIAL RESULTS:**

The Financial Performance of the Company during the year under review along with the previous year figures is summarised as under:

| Particulars | (Rs. in Lakh) | |
|---|----------------|----------------|
| | 2023-24 | 2022-23 |
| Revenue from operations | 8028.82 | 7023.40 |
| Other Income | 108.88 | 84.70 |
| Sub Total (A) | 8137.69 | 7108.10 |
| Expenditure | | |
| Production Cost | 5763.75 | 5006.56 |
| Employee Benefit expense | 793.40 | 614.50 |
| Other Expenses | 735.07 | 682.59 |
| Sub Total (B) | 7292.23 | 5689.14 |
| Profit before Tax, Interest and Depreciation | 845.46 | 804.45 |
| Finance Cost | 217.38 | 206.19 |
| Depreciation and Amortisation | 138.01 | 111.52 |
| Profit/ (Loss) before Tax | 490.07 | 486.74 |
| Tax Expense | 123.76 | 96.15 |
| Profit/ (Loss) After Tax | 366.30 | 390.59 |
| Add: Opening balance of Profit and Loss Account | 1712.57 | 1321.98 |
| Balance Carried to Balance Sheet | 2078.87 | 1712.57 |

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

During the year under review, the revenue from operations of the Company is Rs. 8028.82 Lakh as against Rs. 7023.40 Lakh in the previous year. The Company reported a profit after tax of Rs. 366.31 Lakh for the current year as against a profit of Rs. 390.59 Lakhs in previous year.

The Company is a leading Furniture Manufacturing Company in India. Your Company is emerging as the best manufacturer & Supplier of high quality doors i.e Wooden Doors Fire Rated and Non-Fire Rated, furniture for corporate Offices, Modular Kitchen, Modular Wardrobe, Vanity, Hotel Furnitures, School Furnitures etc. Your Company have historically focused on the wooden doors as a part of our business strategy, but now we plan to expand our focus to metal door. Your Company intends to tap this potential by expanding our existing capacity at our Unit which will enable us to deliver the requirements of these industries which require steel doors. Doors are our major product contributing in revenue from operations.

c. **DIVIDEND:**

Your Directors have not recommended any Dividend for the financial year under review.

d. **TRANSFER TO RESERVES:**

Your Directors do not propose to transfer any amount to its reserves for the year under review.

2. SHARE CAPITAL:

During the year under review, there were changes in the share capital of the Company. Following are the changes which took place:

a. AUTHORISED SHARE CAPITAL:

The Company at its Board Meeting held on August 22, 2023 had increased its Authorised Share Capital of the Company from Rs. 10,00,00,000 (Rupees Ten Crores) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten) to Rs. 12,50,00,000/- (Rupees Twelve Crore Fifty Lakhs) divided into 1,25,00,000 Equity Shares of Rs.10/- (Rupees Ten) and consequent Alteration in Capital Clause of the Memorandum of Association of the Company and the same was approved by the shareholders at the Annual General Meeting of the Company held on September 26, 2023.

b. ISSUED/ PAID UP/SUBSCRIBED SHARE CAPITAL:**i. Bonus Allotment:**

The Board of Directors of the Company at its meeting held on August 22, 2023 had considered, approved and recommended a Bonus Issue of (1) One new Equity Share of Rs. 10/- each fully paid up for every (5) Five existing Equity Share of Rs. 10/- each fully paid up held as on the Record date and the same was approved by the shareholders at the Annual General Meeting of the Company held on September 26, 2023. Accordingly, the Board of Directors has on October 7, 2023 allotted 13,62,400 equity bonus shares of Rs.10/- to its existing shareholders thereby increasing its paid up capital from Rs.6,81,20,000/- (Rupees Six Crore Eighty One Lakh Twenty Thousand) divided into 68,12,000 (Sixty Eight Lakh Twelve Thousand) Equity Shares of Rs.10/- (Rupees Ten) to Rs.8,17,44,000/- (Rupees Eight Crores Seventeen Lakh Forty Four Thousand) divided into 81,74,400 (Eighty One Lakh Seventy Four Thousand Four Hundred) Equity Shares of Rs.10/- (Rupees Ten).

ii. Further Public Offer (FPO):

The Board of Directors at its meeting held on August 22, 2023 had considered raising of funds by way of a Further Public Offering (FPO) through a fresh issue of Equity Shares by the Company aggregating up to Rs. 35 Crore and the same was approved by the shareholders at the Annual General Meeting of the Company held on September 26, 2023. The Company had on March 26, 2024 allotted 36,00,000 fresh equity shares of Rs.10/- at a premium of Rs.65/- under Further Public Offer (FPO) thereby increasing its paid up capital from Rs. 8,17,44,000/- (Rupees Eight Crores Seventeen Lakh Forty Four Thousand) divided into 81,74,400 (Eighty One Lakh Seventy Four Thousand Four Hundred) Equity Shares of Rs.10/- (Rupees Ten) to Rs. 11,77,44,000/- (Rupees Eleven Crores Seventy Seven Lakh Forty Four Thousand) divided into 1,17,74,400 (One Crore Seventeen Lakh Seventy Four Thousand Four Hundred) Equity Shares of Rs.10/- (Rupees Ten).

3. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

Your Company does not have any Subsidiary, Associate and Joint Venture Company.

4. MATERIAL ORDERS OF REGULATORS / COURTS / TRIBUNALS:

There are no significant and material orders were passed by any Regulators or Courts or Tribunal which impact the going concern status and the Company's operations in future.

5. CREDIT RATING:

The Credit rating of the Company has improved as under:

| Particulars | Rating 2024 | Rating 2023 |
|-------------------------------|--------------------|------------------|
| Long Term Borrowings/Ratings | CRISIL BBB-/STABLE | CARE BB+; STABLE |
| Short Term Borrowings/Ratings | CRISIL A3 | CARE A4+ |

6. AUDITORS AND AUDIT REPORTS**a. STATUTORY AUDITORS:**

M/S. C.B.Mehta & Associates, Chartered Accountants (ICAI Firm Registration No.124987W) had been appointed as statutory auditors of the Company at the 24th Annual General Meeting (AGM) held on September 25, 2021 for a period of three (3) years till the conclusion of the 27th Annual General Meeting to be held in the year 2024. Now, the Company needs to appoint a new Auditor in place of the existing auditor as their term of appointment is expiring at the ensuing AGM.

As recommended by the Audit Committee, the Board of Directors at their meeting held on August 3, 2024 proposed and recommended to members of the Company, the appointment of M/s. Ashok Shetty & Co., Chartered Accountants (ICAI Firm Registration No.117134W) as Statutory Auditors of the Company for a period of five (5) consecutive years, to hold office from the conclusion of this ensuing 27th Annual General Meeting till the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2029, at such remuneration as shall be fixed by the Board of Directors of the Company and the Auditors.

The Auditors Report on the financial statement of the Company for the financial year ended 31st March, 2024, which forms part of the Annual Report of the Company, does not contain any reservation, qualification or adverse remark.

b. SECRETARIAL AUDITOR:

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Mr. Prashant S. Mehta, Practising Company Secretary, Mumbai, was appointed as a Secretarial Auditor of the Company to undertake the Secretarial Audit of the Company for financial year 2023-24.

Your Company has generally complied with the Secretarial Standards and the Secretarial Audit Report is annexed in Form MR-3 for financial year 2023-24 as "**ANNEXURE A**" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

c. INTERNAL AUDITOR:

The Board of Directors has appointed M/s. Patkar & Associates, Chartered Accountants as the Internal Auditors of the Company. The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from time to time.

7. INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to Financial Statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

8. 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 Requirement), Regulations, 2015 the compliance with the corporate governance provisions as specified in regulation 17 to 27 and clauses (b) to (i) [and (t)] of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V are not applicable to the Company. The Company has also filed non-applicability of corporate governance requirement certificate with NSE. Hence, corporate governance does not form part of this Board's Report.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. COMPOSITION:

The Composition of the Board of Directors and Key Managerial Personnel are as follows:

| 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 | Executive Director & Chief Executive Officer |
| 4. | **Mr. Sudhir J Shah | Chairman & Non-Executive Independent Director |
| 5. | Mr. Parag S Edwankar | Non-Executive Independent Director |
| 6. | Ms. Geeta | Non-Executive Independent Woman Director |
| 7. | Mr. Prasad N Chirravuri | Non-Executive Independent Director |
| 8. | Ms. Dhara P Shah | Company Secretary |
| 9. | * Mr. Prashant R Vishwakarma | Whole time Director |
| 10. | #Mr. Parmanand M Vishwakarma | Whole time Director |
| 11. | \$ Mr. Madhav P Deshpande | Non-Executive Independent Director |

During the year under review, following changes took place in the composition of the Board:

^ Mr. Rajendra C Vishwakarma stepped down as a Chairman of the Board and the Company w.e.f August 3, 2024, however he continues to be the Managing Director of the Company.

** Mr. Sudhir J Shah, Non-Executive Independent Director was appointed as a Chairman of the Board and the Company w.e.f August 3, 2024.

*Mr. Prashant R Vishwakarma was appointed as a Whole Time Director w.e.f July 15, 2023.

#Mr. Parmanand M Vishwakarma was appointed as Whole-Time Director w.e.f July 15, 2023.

\$ Mr. Madhav P Deshpande was appointed Non-Executive Independent Director w.e.f July 15, 2023.

\$Mr. Madhav P Deshpande resigned with effect from August 2, 2024.

b. APPOINTMENT/RE-APPOINTMENT OF DIRECTORS:

i. During the year under review, based on the recommendation of the Nomination and Remuneration Committee and approval of Board at its meeting held on July 15, 2023 following Directors were appointed:

- Mr. Prashant R Vishwakarma was appointed as Additional Director, designated as Whole Time Director and subsequently his appointment was regularised at the Annual General Meeting held on September 26, 2023;
- Mr. Parmanand M Vishwakarma was appointed as Additional Director, designated as Whole Time Director and subsequently his appointment was regularised at the Annual General Meeting held on September 26, 2023.
- Mr. Madhav P Deshpande was appointed as Additional Independent Director and subsequently his appointment was regularised at the Annual General Meeting held on September 26, 2023.
- Mr. Madhav P Deshpande resigned with effect from August 2, 2024.

ii. On recommendation of Nomination and Remuneration Committee by the Board of Directors at their meeting held on August 3, 2024 had approved:

- The re-appointment of Mr. Prasad Chirravuri (DIN:08604812) as a Non-Executive Independent Director of the Company for the second term of 5 years commencing from November 7, 2024 to November 6, 2029
- The re-appointment of Ms. Geeta (DIN:08769814) as Non-Executive Independent Director of the Company for the second term of 5 years commencing from from 27th June, 2025 to 26th June, 2030.

The above re-appointments of Mr. Prasad Chirravuri and Ms. Geeta, Non-Executive Independent Directors requires approval of the shareholders and the said approval of the shareholders for both the Independent Directors is sought at the ensuing Annual General Meeting of the Company.

c. RETIREMENT BY ROTATION:

In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Narendra C Vishwakarma, (DIN: 00103447), Director is liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment at the said meeting. The Board recommends his re-appointment for members approval.

As per Regulation 36 of the SEBI LODR and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (SS-2), a brief profile and other relevant details regarding re-appointment of Mr. Narendra C Vishwakarma are contained in the Annexure accompanying the explanatory statement to the Notice of the ensuing Annual General Meeting.

d. INDEPENDENT DIRECTORS' DECLARATION

The Company has received declarations of Independence, pursuant to Section 149(7) of the Companies Act, 2013 from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. They also have complied with sub-rule (1) and sub-rule (2) of Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and their name have been included in the data bank of the 'Indian Institute of Corporate Affairs at Manesar' (IICA).

e. **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.

10. FURTHER PUBLIC OFFER (FPO):

During the year under review, the Company had come up with Further Public Offer (FPO) by issuing 36,00,000 fresh equity shares at a price of Rs.75/- (including premium of Rs.65/-) and the total issue size was of Rs.27,00,00,000/- (Rupees Twenty Seven Crores).

The issue opened on March 20, 2024 and closed on March 22, 2024.

The Company allotted 36,00,000 equity shares on March 26, 2024. The said shares got listed on NSE Emerge platform of National Stock Exchange of India on March 28, 2024.

The main object of the issue is as under:

- Funding capital expenditure towards installation of plant & machinery in our existing premises along with required civil, electric and fabrication work, set up of new metal door plant;
- Repayment/prepayment, in full or part, of certain borrowings availed of by our Company;
- Funding to meet working capital requirements;
- General corporate purposes and
- Issue Related Expenses.

11. BOARD MEETINGS AND COMMITTEE MEETINGS:

a. **BOARD MEETINGS:**

During the year under review, the Board of Directors met Eight (8) times on May 26, 2023, July 15, 2023, August 22, 2023, October 7, 2023, October 28, 2023, December 28, 2023, February 10, 2024 and February 17, 2024. The time gap between two Board meetings did not exceed 120 days.

The Composition of the Board, designation, their attendance at the meetings held during the year under review is tabled below:

| Sr. No. | Name | Designation | No. of Board Meetings | |
|---------|------------------------------|------------------------------------|-----------------------|----------|
| | | | Held | Attended |
| 1 | ^Mr. Rajendra C Vishwakarma | Managing Director | 8 | 8 |
| 2 | Mr. Mahendra C Vishwakarma | Whole Time Director & CFO | 8 | 7 |
| 3 | Mr. Narendra C Vishwakarma | Director & CEO | 8 | 8 |
| 4 | *Mr. Prashant R Vishwakarma | Whole Time Director | 7 | 7 |
| 5 | #Mr. Parmanand M Vishwakarma | Whole Time Director | 7 | 7 |
| 6 | **Mr. Sudhir J Shah | Non-Executive Independent Director | 8 | 7 |
| 7 | Mr. Parag S Edwankar | Non-Executive Independent Director | 8 | 8 |
| 8 | Mr. Prasad N Chirravuri | Non-Executive Independent Director | 8 | 8 |
| 9 | Ms. Geeta | Non-Executive Independent Director | 8 | 8 |
| 10 | \$ Mr. Madhav P Deshpande | Non-Executive Independent Director | 7 | 6 |

During the year under review, following changes took place in the Board of Directors:

* Mr. Prashant R Vishwakarma was appointed as Whole Time Director with effect from July 15, 2023.

Mr. Parmanand M Vishwakarma was appointed as Whole Time Director with effect from July 15, 2023.

\$ Mr. Madhav P Deshpande was appointed as Non-Executive and Independent Director with effect from July 15, 2023.

\$Mr. Madhav P Deshpande resigned with effect from August 2, 2024.

^Mr. Rajendra C Vishwakarma stepped down as a Chairman of the Board and the Company w.e.f August 3, 2024, however he continues to be the Managing Director of the Company.

**Mr. Sudhir J Shah, Non-Executive Independent Director was appointed a Chairman of the Board and the Company w.e.f August 3, 2024.

b. EXTRA ORDINARY GENERAL MEETINGS:

During the year under review, no extra ordinary general meeting was held.

COMMITTEES OF THE BOARD:

c. 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 Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Committee met five (5) times i.e., on May 26, 2023, July 15, 2023, October 28, 2023, December 28, 2023 and February 10, 2024. The Committee comprises of following Four (4) Directors. The composition of the Committee, category of members, their attendance at the committee meetings held during the year are as under:

| Name of Directors | Designation | No. of Board Meetings | |
|--------------------------------------|---|-----------------------|----------|
| | | Held | Attended |
| Mr. Sudhir J Shah Chairman | Non-Executive & Independent Director | 5 | 4 |
| Mr. Prasad N Chirravuri Member | Non-Executive & Independent Director | 5 | 5 |
| Mr. Parag S Edwankar Member | Non-Executive & Independent Director | 5 | 5 |
| Mr. Rajendra C Vishwakarma Member | Managing Director | 5 | 5 |

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:

- a. Management Discussion and Analysis of financial condition and results of operations.
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors.
 - d. Internal Audit Reports relating to Internal Control Weaknesses.
 - e. 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:

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

d. 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.

During the year under review, the Committee met on May 26, 2023. The Committee comprises of following Four (4) Directors. The composition of the Committee, category of members, their attendance at the committee meetings held during the year are as under:

| Name of Directors | Designation | No. of Board Meetings | |
|-------------------------------------|--------------------------------------|-----------------------|----------|
| | | Held | Attended |
| Mr. Sudhir J Shah - Chairman | Non-Executive & Independent Director | 1 | 1 |
| Mr. Prasad N Chirravuri - Member | Non-Executive & Independent Director | 1 | 1 |
| Mr. Rajendra C Vishwakarma - Member | Managing Director | 1 | 1 |
| Ms. Geeta - Member | Non-Executive & Independent Director | 1 | 1 |

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:

- Redressal of shareholders'/investors' complaints;
- 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;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The details of Investors' complaints received and resolved during the year 2023-2024 are as under:

| No. of Investors' Complaints received during the year 2023-24 | No. of Investors' Complaints resolved during the year 2023-24 | No. of Investors' Complaints pending as on 31 st March, 2024 |
|---|---|---|
| 0 | 0 | 0 |

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.

During the year under review, the Committee met three (3) times on May 26, 2023, July 15, 2023 and August 22, 2023. The Committee comprises of following Four (4) Directors. The composition of the Committee, category of members, their attendance at the committee meetings held during the year are as under:

| Name of Directors | Designation | No. of Board Meetings | |
|----------------------------------|--------------------------------------|-----------------------|----------|
| | | Held | Attended |
| Mr. Parag S Edwankar - Chairman | Non-Executive & Independent Director | 3 | 3 |
| Mr. Sudhir J Shah - Member | Non-Executive & Independent Director | 3 | 3 |
| Mr. Prasad N Chirravuri - Member | Non-Executive & Independent Director | 3 | 3 |
| Ms. Geeta - Member | Non-Executive & Independent Director | 3 | 3 |

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.

12. PERFORMANCE EVALUATION:

In compliance with the Companies Act, 2013, and Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance, its committees, individual directors, Chairperson, Whole-time Director for the year under review.

The Board and Committee functioning was reviewed and evaluated on the basis of responses from directors, committee members, whole-time director on various aspects of composition and functioning of board and its committee.

In a separate meeting of Independent Directors held on May 26, 2023, performance of non-Independent Director, performance of Board as whole and performance of Chairman were also evaluated.

The Board expressed its satisfaction with evaluation results, which reflects high degree of engagement of Board and its committee with the Company and its management.

13. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Pursuant to Regulation 25 of the SEBI LODR, your Company familiarizes its Independent Directors with their roles, rights, responsibilities as well as the Company's business and operations. Moreover, Directors are regularly updated on the business strategies and performance, management structure and key initiatives of businesses at every Board Meeting. 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.

14. RELATED PARTY TRANSACTIONS

All the Related Party Transactions entered into are in the ordinary course of business and at arms' length and are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations. Further, the disclosure of transactions with related party for the year, as per Accounting Standard 18 is given in Note 2.17 of the Notes forming part of Financial Statement for the year ended on March 31, 2024.

Omnibus approval is given by the 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.

There were no material contracts or arrangements with related parties during the year under review. Accordingly, no transactions are being reported in Form AOC-2 in accordance with Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

15. STATEMENT OF DEVIATION/VARIATION IN THE UTILISATION OF PROCEEDS OF FURTHER PUBLIC OFFER:

There has been no Deviation/ Variation in the utilisation of proceeds of Further Public Offer.

16. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

Pursuant to the provisions of Section 186 of the Act and Schedule V of the SEBI LODR, particulars of loans, guarantees given and investments made by your Company during financial year 2023-24 are given in the notes to the Financial Statements.

17. MANAGEMENT'S DISCUSSION AND ANALYSIS:

Management's Discussion and Analysis for the year under review, as stipulated in terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Report "ANNEXURE-B".

18. PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of employees drawing remuneration and other disclosures are mentioned in "ANNEXURE C", forms part of this Report.

19. CORPORATE SOCIAL RESPONSIBILITY POLICY

The provisions of Corporate Social Responsibilities are not applicable, as the Company does not exceeded the threshold limits prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014.

20. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND 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 Committees at its workplaces. No complaints have been received during the year 2023-24.

21. 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.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**I. CONSERVATION OF ENERGY:****a. STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY;**

The Company is engaged in manufacturing of furniture items and fire doors. The use of electricity is substantial in the manufacturing process. The Company has strict control systems to monitor day to day power consumption. The Company has replaced the conventional lights with the LED lights which are highly efficient in power consumption and the increase in brightness has led to better working conditions. Optimum lightings have helped in reducing the stress on eyes of workers in the factory. 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;

The Company has already installed Solar Plant at the Umbergaon factory, which has resulted in reduction of energy consumption to a larger extent. This investment in Solar Plant has helped the Company to generate electricity as an alternate source of energy and also reduced the electricity cost incurred in factory.

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

Your factory is equipped with CNC woodworking machines. These machines are known for their precision and efficiency, which allow us to manufacture furniture products with accuracy and quality. Our in-house design facility is also an integral part of our infrastructure, as it enables us to provide complete furniture

solutions that are in line with the latest design trends. We conduct comprehensive testing of raw materials in our quality laboratory at our factory in accordance with both Indian Standards and our internal specifications. Our expert testing helps us to document the quality and safety of our furniture, which strengthens consumer trust in our brand. By ensuring that all our raw material meet strict quality standards, we can produce furniture products that are not only beautiful but also safe and durable. We maintain our quality standards and have obtained certifications like ISO 9001, 14001, and 45001 under the strict certification rules. We believe our infrastructure is designed to manufacture high-quality furniture products efficiently and effectively.

The Company continues its efforts in up gradation of systems and equipment, with a view to improving the quality of the products, cost reduction in terms of better productivity and customer satisfaction through better product performance. The Company is continuously updating itself to standardize and install required machinery for manufacturing and quality control. The 3D Pyhtha Software was incorporated in our new vertical Modular Furniture in residential projects like Kitchen, Wardrobe and Vanity etc. With this software the Company has optimized cost and has reduced material wastage when designing furniture.

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

Your Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through technology and design improvements. We are committed to relentlessly focus on improved quality through constant upgradation & development.

To cater to the growing demand of our products from our existing customers and to meet requirements of new customers, we intend to expand our manufacturing capacities for existing products and by introducing the new category i.e. metal doors. This will help us to better serve our existing customers, assist us in better addressing the business requirements of large customers and will also allow us to attract new customers. We also propose to improve the quality and quantity of our products for which we intend to install latest equipment and undertake modification in the existing machine along with few new age machineries. We believe that the said additional equipment will enable us in manufacturing better quality products which will increase our sales and reduce our direct expenditures. In order to achieve this, our Company has identified the new machines to be added to our existing plant and machineries at our existing manufacturing unit.

With respect to the proposed metal door manufacturing facility of the Company, the following steps have been taken as on date:

- Feasibility of the market and opportunities in metal door space by the sales and marketing team and senior management of the Company;
- Research on current metal door products available in the market and feasibility of manufacturing of the same and improvement possible by the Company;
- Identification and selection of suitable and adequate plant and machinery, for which quotations have been received;
- Visits by the senior management of the Company to vendors to select machinery and to understand the know-how;
- Identification and demarcation of separate space at the existing manufacturing facility of the Company and
- Engaging the Architect and relevant professionals for construction of suitable civil structure”

(iii) In case of imported technology:

(a) Details of technology imported and year of Import;

During the year under review, the Company has not imported any technology.

(b) Whether the technology been fully absorbed;

The expansion at the existing plot at GIDC Umbergaon to manufacture door frames, shutters predominantly for the real estate sector was successful and the Company has achieved remarkable results.

(c) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof

Not Applicable

(iv) Expenditure incurred on Research and Development:

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

Foreign Exchange Earnings and Outgo:

The details of foreign exchange earnings and outgo are as under:

(Rs. in Lakh)

| Particulars | 2023-24 |
|-------------------------|---------|
| Foreign Exchange Earned | NIL |
| Foreign Exchange Outgo | 90.09 |

23. VIGIL MECHANISM:

The Board of Directors of the Company, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed vigil mechanism viz. "Whistle Blower Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. 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

24. PUBLIC DEPOSITS:

The Company has not accepted or renewed any deposits from public in terms of Section 73 and/or 74 of the Companies Act, 2013.

25. ANNUAL RETURN:

Pursuant to Sub-Section 3(a) of Section 134 and Sub-Section (3) of Section 92 of the Act, a copy of the Annual Return of the Company as on 31 March, 2024 is placed on the website of the Company and the same is available on the following link www.omfurnindia.com.

26. REPORTING OF FRAUD BY AUDITORS:

During the year under review, the Statutory Auditors had not reported any matter under Section 143(12) of the Act. Therefore, disclosure is not applicable in terms of Section 134(3)(ca) of the Act.

27. OTHER DISCLOSURES/REPORTING:

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transaction on these items during the FY under review:

- Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (Including sweat equity shares) to employees of the Company under any scheme save and except Employee Stock Option Scheme referred to in this report.
- There was no change in nature of the business of the Company.
- The Directors have devised proper systems and process for complying with the requirements of applicable Secretarial Standards issued by ICSI.

28. MATERIAL CHANGES AND COMMITMENTS, IF ANY:

In terms of Section 134(3)(l) of the Companies Act, 2013 there are no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

29. RISK MANAGEMENT:

The Company has developed and implemented a Risk Management process 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.

30. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Act in relation to the audited Financial Statements of the Company for the year ended 31st March, 2024, the Board of Directors hereby confirms that:

- a. in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for the year ended on that date;
- c. proper and sufficient care was taken 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 Annual Accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank the customers, shareholders, employees, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

FOR OMFURN INDIA LIMITED

**SUDHIR J SHAH
CHAIRMAN
DIN: 00302584**

**DATE: AUGUST 3, 2024
PLACE: MUMBAI**

ANNEXURE-A TO THE DIRECTORS' REPORT

To
The Members
Omfurn India Limited
Mumbai.
CIN: L20200MH1997PLC111887

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, I believe that the processes and practices, I followed provide reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company. I have relied on the statutory report provided by the Statutory Auditors as well as Internal Auditors of the company for the financial year ending March 31, 2024.
4. I have obtained the management representation wherever required about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit reports neither an assurance as to the future liability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **P Mehta & Associates**
Practicing Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341

Date: August 3, 2024

Place: Mumbai

SECRETARIAL AUDIT 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, 2024

To,
The Members,
Omfurn India 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.

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, 2024 ('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, 2024 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, Overseas Direct Investment and External Commercial Borrowings;
- (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, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *(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 the Act and dealing with client; *(Not Applicable during the Audit period)*
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; as amendments from time to time; *(Not Applicable during the Audit period)*
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(Not Applicable during the Audit period)*
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not Applicable during the Audit period)*
- (vi) I have relied on the representation and information provided 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 Trade Marks Act, 1999;
- b. Indian Stamp Act, 1999;
- c. Negotiable Instruments Act, 1881;
- d. Registration Act, 1908;
- e. 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, Apprentice, Gratuity, Provident Fund, ESIC, Profession Tax, compensation, Industrial Dispute Act, Industrial Relation Act, Contract Labour (Regulation and Abolition) Act etc;
- f. The Indian Contract Act, 1872;
- g. Income Tax Act, 1961 and other Indirect Tax laws;
- h. Bombay Shops and Establishments Act, 1948;
- i. The Electricity Act, 2003;
- j. The Factories Act, 1948;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the SME Emerge platform of National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 including Woman Director. The changes in the composition of Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

During the year under review following were the changes that took place in Board of Directors:

1. Mr. Prashant R Vishwakarma was appointed as Additional Director-Whole Time Director by the Board of Directors in their Board Meeting held on July 15, 2023. Subsequently his appointment was regularised by the shareholders in the Annual General Meeting held on September 26, 2023.
2. Mr. Parmanand M Vishwakarma was appointed as Additional Director-Whole Time Director by the Board of Directors in their Board Meeting held on July 15, 2023. Subsequently his appointment was regularised by the shareholders in the Annual General Meeting held on September 26, 2023.
3. Mr. Madhav P Deshpande was appointed as Additional Director-Non Executive and Independent Director by the Board of Directors in their Board Meeting held on July 15, 2023. Subsequently his appointment was regularised by the shareholders in the Annual General Meeting held on September 26, 2023.
4. Mr. Madhav P Deshpande resigned as a Director with effect from August 2, 2024.
5. Mr. Rajendra C Vishwakarma ceased to be the Chairman of the Board and of the Company with effect from August 3, 2024.
6. Mr. Sudhir J Shah was appointed as the Chairman of the Board and the Company with effect from August 3, 2024.

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.

I further report that during the year under review following special events had occurred:

1. The Company has increased its Authorised Share Capital from existing Rs. 10,00,00,000 (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) equity shares of Rs.10/- to Rs. 12,50,00,000 (Rupees Twelve Crores Fifty Lakh) divided into 1,25,00,000 (One Crore Twenty Five Lakh) equity shares of Rs.10/-;
2. Altered its Capital Clause of Memorandum of Association;
3. Issued 13,62,400 bonus equity shares to its existing shareholders on October 7, 2023 thereby increasing its paid up capital from Rs.6,81,20,000/- (Rupees Six Crore Eighty One Lakh Twenty Thousand) divided into 68,12,000 (Sixty Eight Lakh Twelve Thousand) Equity Shares of Rs.10/- (Rupees Ten) to Rs.8,17,44,000/- (Rupees Eight Crores Seventeen Lakh Forty Four Thousand) divided into 81,74,400 (Eighty One Lakh Seventy Four Thousand Four Hundred) Equity Shares of Rs.10/- (Rupees Ten).
4. Revised the remuneration payable to Mr. Rajendra C Vishwakarma (DIN:00091492), Chairman and Managing Director within the prescribed limit;
5. Revised the remuneration payable to Mr. Mahendra C Vishwakarma (DIN:00096586), Whole Time Director and Chief Financial Officer (CFO) within the prescribed limit;
6. Revised the remuneration payable to Mr. Narendra C Vishwakarma (DIN:00103447), Executive Director and Chief Executive Officer (CEO) within the prescribed limit;
7. The Company has on March 26, 2024 allotted 36,00,000 fresh equity shares under Further Public Offer thereby increasing its paid up capital from Rs. 8,17,44,000/- (Rupees Eight Crores Seventeen Lakh Forty Four Thousand) divided into 81,74,400 (Eighty One Lakh Seventy Four Thousand Four Hundred) Equity Shares of Rs.10/- (Rupees Ten) to Rs. 11,77,44,000/- (Rupees Eleven Crores Seventy Seven Lakh Forty Four Thousand) divided into 1,17,74,400 (One Crore Seventeen Lakh Seventy Four Thousand Four Hundred) Equity Shares of Rs.10/- (Rupees Ten).

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.

For **P Mehta & Associates**
Practicing Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341

Date: August 3, 2024
Place: Mumbai

UDIN: A005814F000888069
PR NO: 2354/2022

ANNEXURE-B TO DIRECTORS' REPORT

Management Discussion and Analysis Report

A) Industry Structure and Developments:

The Company is a leading Furniture Manufacturing Company in India and are emerging as the best manufacturer & Supplier of Wooden Doors Fire Rated and Non-Fire Rated, Modular furniture Kitchen, Wardrobe, Vanity, furniture for corporate Offices and Hotels etc. Our furniture items are either customized, system based or turnkey projects throughout India. The Company is actively making innovative & unique products to stay ahead in both key Business of Manufacturing and Execution. The Company continues to focus on increasing market penetration to ensure entire product range are available in deeper pockets of the Country. The Company continues to build strong designing & manufacturing capability in production of Modular Furniture which will establish its competitive position of high-cost import substitution in the Furniture Solutions for Residential Projects, Corporate offices and hotels.

Our Team consists of professionals specialized in their respective fields. A team of technical administrative, project personnel and engineers work in conjunction with architects, interior designers, management staff, etc., to offer the best accomplished furnished products. Our factory is equipped with CNC woodworking machines. These machines are known for their precision and efficiency, which allow us to manufacture furniture products with accuracy and quality. Our in-house design facility is also an integral part of our infrastructure, as it enables us to provide complete furniture solutions that are in line with the latest design trends. We conduct comprehensive testing of raw materials in our quality laboratory at our factory in accordance with both Indian Standards and our internal specifications. Our expert testing helps us to document the quality and safety of our furniture, which strengthens consumer trust in our brand. By ensuring that all our raw material meet strict quality standards, we can produce furniture products that are not only beautiful but also safe and durable. In addition to our quality laboratory, we also have a dedicated display area in our factory that showcases a wide range of our products. This area provides customers with valuable information about our products, aspirational ideas, and a sneak peek into the value that our furniture can add to their lives. Our display area is designed to help customers make informed decisions about their furniture purchases and to provide them with a memorable and informative shopping experience. We believe that by offering our customers a comprehensive and engaging shopping experience, we can help build long-term relationships based on trust and quality. Overall, our infrastructure is a key factor that sets us apart from our competitors. We are constantly investing in the latest technology and equipment to ensure that we are at the forefront of the furniture manufacturing industry and that our customers receive only the best products from us.

The Company is continuously updating itself to standardize and install required machinery for manufacturing and quality control. The 3D Pytha Software was incorporated in our new vertical which is Modular Furniture in residential projects. With this software the Company has optimized costs and has reduced material wastage when designing furniture. Company has been using SAP software to streamline process.

B) Opportunities and Threats:

Opportunities:

1. Growing Real Estate Sector:

- Tap into the expanding real estate market in India.
- Strategic partnerships with real estate developers for large-scale projects.

2. E-commerce Expansion:

- Expand and enhance the online sales platform to reach a broader consumer base.
- Leverage digital marketing to increase visibility and attract online customers.

3. Green and Sustainable Practices:

- Embrace environmentally friendly practices to meet the increasing demand for sustainable products.
- Highlight eco-friendly certifications and initiatives.

4. Diversification:

- Explore opportunities to diversify product offerings within the furniture and interior design space.

- Introduce complementary products to capture a larger share of the market.

Threats:

1. Intense Market Competition:

- Presence of numerous competitors, including both established and emerging players.
- Pricing pressures due to competition in a fragmented market.

2. Regulatory Challenges:

- Adherence to evolving environmental regulations and standards.
- Compliance with stringent quality and safety standards.

3. Economic Uncertainties:

- Economic downturns affecting consumer spending on non-essential items.
- Fluctuations in currency exchange rates impacting import/export costs.

4. Supply Chain Disruptions:

- Vulnerability to disruptions in the supply chain, including transportation and logistics challenges.
- Dependence on third-party suppliers for key components.

C) Outlook:

Your company continues to maintain its relatively stable and progressive growth outlook. The initiatives taken by your company for technology upgrading, reducing costs, improving operating parameters etc. will enable the company to face challenges in the coming times. The company has a vision to consolidate its position as a market leader in furniture and is in the process of upgrading infrastructure and equipment. Accordingly, we will continue our efforts to improve our efficiency and margins.

We are deeply committed to our duty to nature and our planet Earth. We believe in providing environmentally sustainable products to protect our heritage for future generations. For this purpose, we are Green Building Certified and have completed Greenfield Projects in India.

Our Mission is to Achieve set corporate objectives and goals to offer world class furniture, solutions with innovative design based on price, quality and services and Our Vision is to create a Company that always delivers quality products with a focus and commitment towards total customer satisfaction so that we remain a benchmark in the furniture industry

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:

Following are the risk involved:

Dependence on Raw Materials:

- Vulnerability to fluctuations in the cost and availability of raw materials like wood;
- Potential impact on pricing and profit margins due to market dynamics.

Market Dependency:

- High dependence on the construction and real estate sectors.
- Economic downturns can adversely affect demand for luxury and non-essential items.

Limited Online Presence:

- Limited online visibility and e-commerce capabilities.
- Potential loss of market share to competitors with a stronger online presence.

The Company examines a variety of risks for mitigation and to maintain business operations, including competition risk, safety and sustainability risk, compliance risk, information security risk, raw material and availability risk.

E) Internal control system and their adequacy:

The Company has the Internal Control systems in place, adequate for the size of the Company and the nature of its business. The company has engaged the services of an independent Chartered Accountant to conduct internal audits and ensure that the recording and reporting processes are adequate and accurate, that internal controls are within the system, and necessary measures are taken to update the internal control system from time to time.

The Internal Audits are carried out by the Internal Auditor of the Company. Internal Audits are conducted at regular intervals to assure the management of fair transactions. Efficacy of Internal Control systems are tested periodically by the Internal Auditors and internal control over financial reporting is tested and certified by statutory auditors. The Company also has an Audit Committee to interact with Statutory Auditors, Internal Auditors and Management in dealing with matters including financial reporting and internal controls.

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

(Rs. In Lakh)

| Particulars | 2023-24 | 2022-23 |
|----------------------------------|---------|---------|
| Total Revenue | 8137.69 | 7108.10 |
| Profit /Loss before Tax | 490.07 | 486.74 |
| Less: Total Tax Expense | 123.76 | 96.15 |
| Profit/(Loss) after Tax | 366.30 | 390.59 |
| Earnings per equity share | 4.45 | 4.78 |

G) Segment wise or product wise performance

The Company's business activities fall within single or primary business segment. Accordingly, disclosures under Accounting Standard 17, Segment Reporting as mandated under Section 133 of Companies Act, 2013 read with rules framed thereunder are not required to be made.

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

As of March 31, 2024, the company had a total of 199 permanent employees working at its factory at Umergaon and its Registered Office in Mumbai. The company places great importance on the value of its employees and acknowledges their contributions. To foster a motivated workforce, the company ensures that employees receive proper encouragement, both in terms of moral support and financial incentives. This approach aims to create a positive work environment and cultivate a sense of motivation and dedication among the employees. Our employees are trained and provided with personal protective equipment while handling biological specimens and emphasis is also laid on adherence to national and local safety guidelines, including that of biomedical waste disposal. We also encourage employees to be actively involved in occupational health and safety. All new employees receive quality, safety, and health and environment inductions. Potentially hazardous conditions are identified and reported continuously through the alert process.

The Company prioritizes maintaining a constructive and positive relationship with its employees, fostering a work environment that encourages productivity and efficiency. The company values the contribution of its team of qualified personnel, whose expertise enhances the overall performance of operations and processes. Throughout the year under review, the Company enjoyed a cordial relationship with its workers and staff at all levels of management. This harmonious atmosphere promotes collaboration, teamwork, and mutual respect, which ultimately supports the Company's success and growth.

I) Details of significant changes in key financial ratios:

The details of key financial ratios i.e., debtors' turnover, inventory turnover, interest coverage, current ratio, debt-equity ratio, operating profit margin, net profit margin and return on Net Worth are given in financial highlights and Note 2.18 to the Audited Accounts.

J) Disclosure of Accounting Treatment:

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

Cautionary Statement

Statements in the Board's Report and the Management Discussion & Analysis that describe the Company's objectives, expectations, or forecasts may be considered forward-looking in accordance with the applicable securities laws and regulations. It is important to note that actual results may differ materially from those expressed in these statements. There are various factors that could influence the Company's operations, including global and domestic demand and supply conditions that impact the selling prices of finished goods, availability and prices of inputs, changes in Government regulations and tax laws, economic developments within the country, as well as other factors such as litigation and industrial relations.

These factors are subject to uncertainties and risks, and the Company does not assume any obligation to update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of the report. It is advised that stakeholders and investors exercise caution and rely on their own analysis and judgment when evaluating the Company's objectives, expectations, and forecasts.

SUDHIR J SHAH

CHAIRMAN

DIN: 00302584

PLACE: MUMBAI

DATE: AUGUST 3, 2024

ANNEXURE-C 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 2023-24 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 2023-24 | Ratio of Remuneration of the director to the median* |
|------------------------------|---------------------------|---------------------------|--|--|
| Mr. Rajendra C Vishwakarma | Managing Director | 23,00,945 | 100.47% | 10.98 |
| Mr. Mahendra C Vishwakarma | Whole Time Director & CFO | 23,16,564 | 118.54% | 11.05 |
| Mr. Narendra C Vishwakarma | Director & CEO | 28,23,660 | 108.98% | 13.47 |
| *Mr. Prashant R Vishwakarma | Whole Time Director | 13,46,296 | — | — |
| *Mr. Parmanand M Vishwakarma | Whole Time Director | 13,46,296 | — | — |
| Mrs. Dhara P Shah (CS) | Company Secretary | 2,45,551 | 10.68% | 1.17 |

Notes:

1. Mr. Prashant R Vishwakarma and Mr. Parmanand M Vishwakarma were appointed as Whole Time Director with effect from July 15, 2023.
2. The number of permanent employees on the rolls of the company is 199 for the year ended March 31, 2024.
3. There was an increase of 6.91% in median remuneration of employees during the financial year.
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year 2023-24 was 23.55%.
5. It is affirmed that remuneration paid during the year ended March 31, 2024 is as per the Remuneration Policy of the Company.

SUDHIR J SHAH

CHAIRMAN

DIN: 00302584

PLACE: MUMBAI

DATE: AUGUST 3, 2024

INDEPENDENT AUDITOR'S REPORT

To
The Members of Omfurn India Limited
Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Omfurn India Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2024, the statement of Profit and Loss and statement of cash flows for the year ended on that date and a summary of Material Accounting Policies and Other Explanatory Information (hereinafter referred to as the "financial statements").

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 Companies Act, 2013 (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, 2024 and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Based on our audit of Financial Statements of the Company for the year under review, we did not come across any material Key Audit Matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are 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, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented to us that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ;and

- (c) Based on audit procedure performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For C B Mehta & Associates

Chartered Accountants

FRN: 124978W

C.B. Mehta

Proprietor

MRN: 116543

Place: Mumbai

Dated: May 28, 2024

UDIN: 24116543BKAGHE3862

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in Paragraph 1 under ‘Report on other legal and regulatory requirements’ section our report to the members of Omfurn India Ltd of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of physical verification of Property, Plant and Equipment to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
 - d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. In respect of the Company’s Inventories:
 - a) As explained to us, the inventories are physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
 - b) The Company has been sanctioned working capital limits in excess of Rs. 5 crore in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/ statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- iii. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in nature of loans, stood guarantee, secured or unsecured, companies, firms, LLPs or any other parties.
Consequently, the requirement 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 deposits during the year and does not have any unclaimed deposits as of March 31, 2024 and therefore, the provisions of the clause 3 (v) 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 is generally regular in depositing undisputed statutory dues, including Provident Fund, Profession Tax, Employees’ State Insurance, Income Tax, Customs Duty, Goods and Service Tax, Cess and other material statutory dues as 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, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2024 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, Goods and Service Tax and Cess which have not been deposited as at March 31, 2024 on account of any dispute.
- viii. In our opinion and according to the record of the Company examined by us and the information and explanation given to us, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income tax Act, 1961 as income during the year.
- ix. (a) According to the information and explanation given to us and on the basis of our examination of the books of account, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanation given to us and on the basis of our examination of the books of account, the company is not a declared wilful defaulter by any bank or financial institutions or other lender.
- (c) According to the information and explanation given to us and on the basis of our examination of the books of account, the company has applied the term loans for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company does not have any subsidiary, joint venture or associate company and hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) According to the information and explanation given to us and on the basis of our examination of the books of account, the Company has raised money by way of Further Public Offer and the same has not been utilized for the purpose other than as stated in the prospectus.
- (b) According to the information and explanation given to us and on the basis of our examination of the books of account, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of the section 143 of the Companies Act, 2013 was required to be filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, there were no whistle blower complaints received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable 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. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

- (b) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For C B Mehta & Associates
Chartered Accountants
FRN: 124978W

C.B. Mehta
Proprietor
MRN: 116543

Place: Mumbai
Dated: May 28, 2024
UDIN: 24116543BKAGHE3862

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, 2024 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.

Inherent 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, 2024, 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 C B Mehta & Associates
Chartered Accountants
FRN: 124978W

C.B. Mehta
Proprietor
MRN: 116543

Place: Mumbai
Dated: May 28, 2024
UDIN: 24116543BKAGHE3862

BALANCE SHEET AS ON 31ST MARCH, 2024

(Rs. in Lakh)

| PARTICULARS | Note No. | March 31, 2024 | March 31, 2023 |
|--|----------|-----------------|-----------------|
| A Equity and Liabilities | | | |
| 1 Shareholders' Funds | | | |
| (a) Share Capital | 3 | 1,177.44 | 681.20 |
| (b) Reserves and Surplus | 4 | 4,056.91 | 1,890.08 |
| | | 5,234.35 | 2,571.28 |
| 2 Non-Current Liabilities | | | |
| (a) Long-Term Borrowings | 5 | 90.87 | 405.90 |
| (b) Other Long-Term Liabilities | 6 | 40.60 | 40.60 |
| (c) Deferred Tax Liabilities (Net) | | 33.12 | 31.85 |
| | | 164.58 | 478.35 |
| 3 Current Liabilities | | | |
| (a) Short-Term Borrowings | 7 | 1,444.31 | 732.20 |
| (b) Trade Payables | 8 | | |
| (i) Total outstanding due to MSME Units | | 149.04 | 2.98 |
| (ii) Total outstanding due to Other than MSME Units | | 798.42 | 1,195.74 |
| (c) Other Current Liabilities | 9 | 411.07 | 536.84 |
| (d) Short-Term Provisions | 10 | 227.86 | 200.58 |
| | | 3,030.70 | 2,668.34 |
| TOTAL | | 8,429.63 | 5,717.98 |
| B Assets | | | |
| 1 Non-Current Assets | | | |
| (a) <u>Property, Plant and Equipment and Intangible Assets</u> | | | |
| Property, Plant and Equipment | 11 | 1,374.24 | 1,080.88 |
| Intangible Assets | | 22.26 | 15.49 |
| (b) Non-Current Investments | 12 | 116.60 | 110.43 |
| (c) Long-Term Loans & Advances | 13 | 131.02 | 103.05 |
| (d) Other Non-Current Assets | 14 | 153.94 | 124.38 |
| | | 1,798.06 | 1,434.23 |
| 2 Current Assets | | | |
| (a) Inventories | 15 | 2,028.22 | 1,883.30 |
| (b) Trade Receivables | 16 | 2,235.85 | 1,915.16 |
| (c) Cash & Cash Equivalents | 17 | 2,184.32 | 304.48 |
| (d) Short-Term Loans & Advances | 18 | 183.18 | 180.80 |
| | | 6,631.57 | 4,283.75 |
| TOTAL | | 8,429.63 | 5,717.98 |
| See accompanying notes forming part of Financial Statements | 1 & 2 | | |

As per our report of even date

FOR C B MEHTA & ASSOCIATES

Chartered Accountants

FRN 124978W

FOR & ON BEHALF OF THE BOARD**C B MEHTA**

Proprietor

MRN - 116543

R C VISHWAKARMA

Managing Director

DIN:00091492

N C VISHWAKARMA

Director & CEO

DIN:00103447

Place : Mumbai

Date: May 28, 2024

UDIN: 24116543BKAGHE3862

M C VISHWAKARMA

Wholtime Director & CFO

DIN:00096586

DHARA P SHAH

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(Rs. in Lakh)

| PARTICULARS | Note No. | March 31, 2024 | March 31, 2023 |
|--|-----------------|-----------------------|-----------------------|
| CONTINUING OPERATIONS | | | |
| 1 Revenue from Operations | 19 | 8,028.82 | 7,023.40 |
| 2 Other Income | 20 | 108.88 | 84.70 |
| Total Income | | 8,137.69 | 7,108.10 |
| 3 Expenses | | | |
| (a) Cost of Materials consumed | 21 | 6,160.00 | 4,855.04 |
| (b) Changes in Inventories | 22 | (396.25) | 151.52 |
| (c) Employee Benefit Expense | 23 | 793.40 | 614.50 |
| (d) Finance Costs | 24 | 217.38 | 206.19 |
| (e) Other Expenses | 25 | 735.07 | 682.59 |
| (f) Depreciation and Amortisation Expense | 11 | 138.01 | 111.52 |
| Total Expenses | | 7,647.62 | 6,621.36 |
| 4 Profit / (Loss) Before Tax | | 490.07 | 486.74 |
| 5 Tax Expenses: | | | |
| (a) Current Tax Expense for the year | | 122.50 | 130.00 |
| (b) Deferred Tax | | 1.26 | (33.37) |
| (c) Tax adjustment relating to earlier years | | – | (0.48) |
| Total Tax Expense | | 123.76 | 96.15 |
| 6 Profit/ (Loss) for the period | | 366.30 | 390.59 |
| 7 Earnings per Equity Share | 26 | | |
| Basic and Diluted | | 4.45 | 4.78 |
| <i>See accompanying notes forming part of Financial Statements</i> | | | |

*As per our report of even date***FOR C B MEHTA & ASSOCIATES***Chartered Accountants**FRN 124978W***C B MEHTA**

Proprietor

MRN - 116543

Place : **Mumbai**Date: **May 28, 2024****UDIN: 24116543BKAGHE3862****FOR & ON BEHALF OF THE BOARD****R C VISHWAKARMA**

Managing Director

DIN:00091492**M C VISHWAKARMA**

Wholetime Director & CFO

DIN:00096586**N C VISHWAKARMA**

Director & CEO

DIN:00103447**DHARA P SHAH**

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(Rs. in Lakh)

| PARTICULARS | March 31, 2024 | March 31, 2023 |
|--|-----------------|-----------------|
| (A) Cash flow from operating activities | | |
| Net Profit / (Loss) before tax | 490.07 | 486.74 |
| Adjustments for: | | |
| Depreciation and amortisation | 138.01 | 111.52 |
| Interest on Bank Deposits | (24.67) | (17.33) |
| Gain on sale of Fixed Assets | (1.40) | – |
| Interest & Finance Charges | 217.38 | 206.19 |
| Sundry balances written off | 0.22 | 143.87 |
| Net gain/ (loss) on foreign currency transactions | – | 6.46 |
| Operating profit before working capital changes | 819.61 | 937.45 |
| Movements in Working Capital | | |
| (Increase)/ Decreases in Trade receivables | (320.91) | (745.84) |
| (Increase)/ Decreases in Inventories | (144.93) | (273.15) |
| (Increase)/ Decreases in Short-term loans and advances | (2.37) | (58.40) |
| (Increase)/ Decreases in Long Term Loans & Advances | (27.97) | (36.96) |
| (Increase)/ Decreases in Other Non-Current Assets | (29.56) | (85.13) |
| Increase/ (Decrease) in Trade payables | (251.27) | 593.63 |
| Increase/ (Decrease) in Short Term Borrowings | 712.11 | (314.12) |
| Increase/ (Decrease) in Short Term Provisions | 27.28 | 153.33 |
| Increase/ (Decrease) in Other current liabilities | (125.77) | 263.06 |
| Cash Generated from Operations | 656.23 | 433.87 |
| Less: Tax paid | 122.50 | 129.52 |
| Net Cash generated from Operating Activities | 533.73 | 304.35 |
| (B) Cash flow from investing activities | | |
| Purchase of Fixed assets/ Capital work in progress | (438.54) | (203.77) |
| Sale of Fixed assets/ Subsidy received on Capital Assets | 1.80 | 2.20 |
| Interest on Bank Deposits | 24.67 | 17.33 |
| Investment in Non Current Investments | (6.17) | (90.40) |
| Net Cash Generated from Investing Activities | (418.25) | (274.63) |
| (C) Cash flow from financing activities | | |
| Issue of Share Capital (Net of share issue expenses) | 2,296.77 | – |
| Interest & Finance Charges | (217.38) | (206.19) |
| Long Term Borrowings | (315.03) | (142.95) |
| Other Long-Term Liabilities | – | 40.60 |
| Net cash generated from Financing Activities | 1,764.35 | (308.54) |
| Net Increase/(Decrease) in cash & cash equivalent | 1,879.84 | (278.82) |
| Add: Cash & Cash equivalent at the beginning of the period | 304.48 | 583.30 |
| Cash & Cash equivalent at the end of the period | 2,184.32 | 304.48 |
| Components of cash & cash equivalent | | |
| Cash in hand | 0.16 | 0.17 |
| Balances with banks | 2,184.16 | 304.32 |
| Cash & Cash equivalent considered for cash flow statement | 2,184.32 | 304.48 |
| <i>See accompanying notes forming part of Financial Results</i> | | |

As per our report of even date

FOR C B MEHTA & ASSOCIATES

Chartered Accountants

FRN 124978W

FOR & ON BEHALF OF THE BOARD**C B MEHTA**

Proprietor

MRN - 116543

R C VISHWAKARMA

Managing Director

DIN:00091492**N C VISHWAKARMA**

Director & CEO

DIN:00103447Place : **Mumbai**Date: **May 28, 2024****UDIN: 24116543BKAGHE3862****M C VISHWAKARMA**

Wholetime Director & CFO

DIN:00096586**DHARA P SHAH**

Company Secretary

NOTE 1 : FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**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 and Kitchen, Bedroom Furniture, wooden doors & frames, etc. in terms of customized, system based or Turnkey projects throughout India. The Company also specializes in the design and execution of turnkey interior projects by bringing together under the same roof all the resources necessary to meet the needs of any fit-out project.

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

- a. 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.
- b. 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.
- c. 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 the 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/materialized.

2.3 Property Plant & Equipment and Depreciation thereon

- a. Property Plant & Equipment 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.
- b. The cost of Property Plant & Equipment 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.
- c. Subsequent expenditures related to an item of Property Plant & Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously ascertained standard of performance.
- d. 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 Equipments | 5 years |
| Plant & Machinery | 15 years |
| Motor Vehicles | 10 years |
| Factory Building | 30 years |
| Other Buildings | 60 years |
| Electrical Installations | 10 years |

2.4 Intangible Assets and Amortization thereon

- a) Items of Intangible Assets are recognized and measured at cost less accumulated amortization and impairment losses, if any. The cost of intangible assets comprises of its purchase price, including import duties and nonrefundable purchase taxes, after deducting trade discounts and rebates; and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.
- b) Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be measured reliably.
- c) Intangible assets are amortized over their estimated useful life using straight line method.
- d) Software is amortized over a period of five years. Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

2.5 Impairment of Assets

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.

2.6 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to, and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.7 Investments

Investments that are readily realizable 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.

2.8 Inventories

- a. 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.
- b. Items of Inventories are valued at lower of cost and net realizable value

2.9 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 scheme is a non-contributory defined benefit arrangement providing gratuity benefits expressed in terms of final monthly salary and the period of past service. The scheme is funded with the Life Insurance Corporation of India.

2.10 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, considering 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 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 recognized net of discounts and Goods and Services Tax.

d. Interest Income

Interest income is recognised on a proportionate basis considering the amount outstanding and the rate applicable.

e. Government Grants

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/ subsidy will be received.

Government grants whose primary condition is that the Company should purchase, construct, or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Grants related to revenue are recognised in the Statement of Profit and Loss on a systematic basis to match them with related costs.

2.11 Insurance Claims

Insurance claims are accounted for based on claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.12 Goods and Services Tax Input Tax Credit

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.

2.13 Cash and Cash Equivalent

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash, and which are subject to insignificant risk of changes in value.

2.14 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 Rs. 90.09 Lakh used for Import Purchase and Repairs/ Purchase of Capital Goods.

2.15 Micro, Small & Medium Enterprises Development Act, 2006

Based on the information available with the company, none of suppliers have been identified, who are registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED) to whom the company owes and the same is outstanding for more than 45 days as at 31 March 2024. The information has been determined to the extent such parties have been identified based on information available within the company. This has been relied upon by the auditors.

2.16 Segment Information

The 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.

2.17 Related Party Disclosures

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

| Name of Related Party | Relationship | Amount (₹ in Lakh) | Nature of Payment |
|-------------------------|---|-----------------------|-----------------------|
| Rajendra C Vishwakarma | Managing Director | 23.01 | Director Remuneration |
| Prashant R Vishwakarma | Whole-time Director & Son of Managing Director | 13.46 | |
| Parmanand M Vishwakarma | Whole-time Director & Son of WTD | 13.46 | |
| Mahendra C Vishwakarma | Whole-time Director & Chief Financial Officer | 22.49 | |
| Narendra C Vishwakarma | Director & CEO | 28.52 | |
| Rajendra C Vishwakarma | Managing Director | 9.60 | Rent |
| Manbhavti R Vishwakarma | Wife of Managing Director | 7.69 | |
| Mahendra C Vishwakarma | Whole-time Director and Chief Financial Officer | 7.69 | |
| Malti M Vishwakarma | Wife of Whole time Director & CFO | 7.69 | |
| Narendra C Vishwakarma | Director & CEO | 6.00 | |
| Prashant R Vishwakarma | Whole-time Director & Son of Managing Director | 0.46 | |
| Niklesh R Vishwakarma | Daughter of Managing Director | 0.60 | |
| Jayesh M Vishwakarma | Son of Director | 7.68 | Salary |
| Dhara P Shah | Company Secretary | 2.46 | |
| Vikrant R Vishwakarma | Relative of Director | 7.68 | |
| Sarita R Vishwakarma | Daughter of Managing Director | 3.69 | |
| Karna R Vishwakarma | Son of Managing Director | 7.73 | |
| Ravindra L Vishwakarma | Son in Law of Managing Director | 7.68 | |
| Archana V Vishwakarma | Relative of Director | 2.54 | Contractor |

2.18 Analytical Ratios

| Ratio | Measured in | Numerator | Denominator | March 31, 2024 | March 31, 2023 | Variance |
|---------------------------------|-------------|---|--|----------------|----------------|----------|
| Current ratio | Times | Current assets | Current liabilities | 2.19 | 1.61 | 36.30% |
| Debt-equity ratio | Times | Debt | Total equity | 0.29 | 0.44 | (33.74)% |
| Debt service coverage ratio | Times | Earnings before Interest, Tax and Exceptional Items | Interest Expense + Principal Repayments made during the year for long term loans | 1.67 | 1.30 | 28.71% |
| Return on Equity | % | Profit After Tax | Average total equity | 9.39% | 16.44% | (42.91)% |
| Inventory turnover ratio | Times | Revenue from operations | Average inventory | 4.11 | 4.02 | 2.10% |
| Trade receivable turnover ratio | Times | Revenue from operations | Average trade receivables | 3.87 | 4.35 | (11.09)% |
| Trade payables turnover ratio | Times | Cost of Materials Consumed + Purchases of Stock-in-Trade + Other Expenses | Average trade payables | 4.12 | 6.14 | (32.85)% |
| Net capital turnover ratio | Times | Revenue from operations | Working Capital (Current Assets - Current Liabilities) | 2.23 | 4.35 | (48.72)% |
| Net profit ratio | % | Profit After Tax | Revenue from operations | 4.65% | 5.56% | (17.96)% |
| Return on capital employed | % | Earnings before interest and tax | Capital employed | 13.10% | 22.72% | (42.33)% |
| Return on investment | % | Other Income | Average Cash, Cash Equivalents & Other Marketable Securities | 1.98% | 4.95% | (59.94)% |

Reasons for variation in ratio by 25% or more as compared to preceding year

a. Current Ratio

The current ratio, also known as the working capital ratio, measures the capability of a business to meet its short-term obligations that are due within a year. The ratio considers the weight of total current assets versus total current liabilities.

There is variance in the ratio as during the current period company has available cash & cash equivalent balance received from issue of equity.

b. For Debt-equity ratio

The debt-to-equity (D/E) ratio indicates how much debt a company is using to finance its assets relative to the value of shareholders' equity.

There is variance in this ratio as during the current period, the company has issued new equity shares at premium.

c. For Debt Service coverage ratio

Debt Service coverage ratio is used to analyze the Company's ability to pay-off current interest and instalments. It is calculated by dividing earnings available for debt service by debt service.

Variance in this ratio is due to trimming of Earnings before Interest, Tax, Depreciation and Exceptional Items of the Company compared to previous year.

d. For Return on Equity Ratio

Return on Equity (ROE) is a measure of profitability of a Company expressed in percentage. It is calculated by dividing total income by average shareholder's equity.

There is variance in this ratio as the profit during the current financial year is reduced as compared to previous year, further during the year equity capital of the company has also increased.

e. For Trade Payable Turnover Ratio

Trade Payable Turnover Ratio measures the efficiency at which the Company is managing the payables. The ratio shows how well a Company uses and manages the credit extended to it by its vendors. It is calculated by dividing turnover by average trade payables.

Change is due to an increase in trade payables during the year.

f. For Net Capital Turnover Ratio

Net Capital Turnover Ratio indicates a company's effectiveness in using its working capital.

During the year the working capital of the company has increased. The Company has managed to increase its revenue by maintaining the same level of working capital which has thus impacted the Net Capital Turnover Ratio to come in favour of the company.

g. For Return on capital employed

Return on Capital Employed (ROCE) indicates the ability of a Company's management to generate returns for both the debt holders and the equity holders. It measures a Company's profitability and the efficiency with which its capital is used.

There is variance in the Capital Employed ratio as the capital employed has been significantly increased during the current year as compared with previous year.

h. For Return on Investments

Return on Investments is the percentage of return on funds invested in the business by its owners.

The company has earned better returns on its investments in the current year as compared to previous years, however the amount available for investment has increased significantly but at the end of the year.

2.19 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, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Net Profit after Tax (INR in Lakh) | 366.30 | 390.59 |
| Number of Shares outstanding at the beginning of the year | 68,12,000 | 68,12,000 |
| Add: Shares issued during the year | 36,00,000 | – |
| Add: Bonus shares issued during the period | 13,62,400 | 13,62,400 |
| Number of shares outstanding at the end of the year | 1,74,74,400 | 81,74,400 |
| Weighted average number of shares | | |
| For Calculating Basic and Diluted EPS | 82,33,578 | 81,74,400 |
| Earnings per share (EPS) | 4.45 | 4.78 |

2.20 Taxes on income

- 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.
- 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.

(Rs.in Lakh)

| Particulars | 2023-24 | 2022-23 |
|--|--------------|--------------|
| Opening Deferred Tax liability as on beginning of the year | 31.85 | 65.22 |
| Less: Deferred Tax Income credited to Statement of Profit and Loss Account | 1.27 | (33.37) |
| Closing Deferred Tax Liability as on year end | 33.12 | 31.85 |

2.21 Sundry Debtors, Loans and Advances

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

2.22 Disclosure related to Trade Payables:

(Rs. in Lakh)

| Ageing for Trade Payables outstanding as at 31st March 2024 is as follows | | | | | |
|---|----------------------|--------------|-----------|----------------------|---------------|
| Outstanding for following periods from due date | | | | | |
| Particulars | Less than 1 years | 1–2 years | 2–3 years | More than 3 years | Total |
| Others | 864.38 | 76.52 | – | 6.56 | 947.46 |
| Disputed dues | – | – | – | – | – |
| Total | 864.38 | 76.52 | – | 6.56 | 947.46 |

| Ageing for Trade Payables outstanding as at 31st March 2023 is as follows | | | | | |
|---|----------------------|-------------|-------------|----------------------|-----------------|
| Outstanding for following periods from due date | | | | | |
| Particulars | Less than 1 years | 1–2 years | 2–3 years | More than 3 years | Total |
| Others | 1,186.96 | 4.46 | 1.62 | 5.67 | 1,198.72 |
| Disputed dues | – | – | – | – | – |
| Total | 1,186.96 | 4.46 | 1.62 | 5.67 | 1,198.72 |

2.23 Disclosure related to Trade Receivables:

(Rs. in Lakh)

| Ageing for Trade Receivables outstanding as at 31st March 2024 is as follows | | | | | |
|--|---------------------------------|---------------------------------|---------------------------------|-------------------------------------|-----------------|
| Particulars | Particulars | | | | Total |
| | Undisputed– Consider Good | Undisputed– Consider Good | Undisputed– Consider Good | Disputed– Considered Doubtful | |
| Less than 6 months | 1,124.44 | – | – | – | 1,124.44 |
| 6 months – 1 years | 183.51 | – | – | – | 183.51 |
| 1–2 years | 608.70 | – | – | – | 608.70 |
| 2–3 years | 109.07 | – | – | – | 109.07 |
| More than 3 years | 210.13 | – | – | – | 210.13 |
| Total | 2,235.85 | NIL | NIL | NIL | 2,235.85 |

| Ageing for Trade Receivables outstanding as at 31st March 2023 is as follows | | | | | |
|--|---------------------------------|---------------------------------|---------------------------------|-------------------------------------|-----------------|
| Particulars | Particulars | | | | Total |
| | Undisputed– Consider Good | Undisputed– Consider Good | Undisputed– Consider Good | Disputed– Considered Doubtful | |
| Less than 6 months | 1,330.20 | – | – | – | 1,330.20 |
| 6 months – 1 years | 172.72 | – | – | – | 172.72 |
| 1–2 years | 161.04 | – | – | – | 161.04 |
| 2–3 years | 102.77 | – | – | – | 102.77 |
| More than 3 years | 148.44 | – | – | – | 148.44 |
| Total | 1,915.16 | NIL | NIL | NIL | 1,915.16 |

2.24 Defined benefit plan (Gratuity)

The scheme is a non-contributory defined benefit arrangement providing gratuity benefits expressed in terms of final monthly salary and the period of past service. The scheme is funded by the Life Insurance Corporation of India. The following table shows the amounts recognized in the Balance Sheet.

The assumptions used in accounting for the defined benefit plan are set out below:

| Particulars | 31st Mar 2024 | 31st Mar 2023 |
|---|---------------|---------------|
| Expected return on planned assets | 7.21% | 7.48% |
| Rate of discounting | 7.21% | 7.48% |
| Rate of salary Increase | 5.00% | 5.00% |
| Rate of Employer turnover | 2.00% | 2.00% |
| Reconciliation of Defined Benefit obligation (DBO) | | |
| Particulars | 31st Mar 2024 | 31st Mar 2023 |
| Present value of obligations as at beginning of year | 111.21 | – |
| Interest Cost | 8.32 | – |
| Current Service Cost | 9.04 | 123.06 |
| Benefit paid from the Fund | (6.36) | (11.85) |
| Actuarial (Gain)/Losses on Obligation | 13.95 | – |
| Present Value of Benefit Obligation at the End of the period | 136.16 | 111.21 |

| Reconciliation of planned Assets | | |
|--|----------------------|----------------------|
| Particulars | 31st Mar 2024 | 31st Mar 2023 |
| Fair Value of Plan Assets at the beginning of year | 61.54 | 69.35 |
| Expected return on Plan assets | 4.60 | 4.03 |
| Contributions by the employer | 49.67 | – |
| Benefit paid from the Fund | (6.36) | (11.85) |
| Actuarial (Gain)/Losses on Obligation | 0.50 | – |
| Fair Value of Plan Assets at the End of the period | 109.96 | 61.54 |
| Amount Recognized in the Balance Sheet | | |
| Particulars | 31st Mar 2024 | 31st Mar 2023 |
| Present Value of Benefit Obligation at the end of the Period | (136.16) | (111.21) |
| Fair Value of Plan Assets at the end of the period | 109.96 | 61.54 |
| Funded status | (26.20) | (49.67) |
| Present Value of Benefit Obligation at the End of the period | (26.20) | (49.67) |
| Expenses Recognized in the Statement of Profit or Loss for Current Period | | |
| Particulars | 31st Mar 2024 | 31st Mar 2023 |
| Current service cost | 9.04 | 123.06 |
| Interest cost | 3.72 | (4.03) |
| Benefit paid | (49.67) | – |
| Actuarial (gain)/Loss on obligation | 13.45 | – |
| Present Value of Benefit Obligation at the End of the period | 26.20 | 119.03 |

2.25 Further Public Offer

In the financial year 2017-18, Company had raised funds from Initial Public Offer (IPO) aggregating to 4,16,76,000 by issuing 18,12,000 equity shares at 23/- per share.

Further during the year under review, the Company came out with a **“Follow - On Public Offering”** (FPO) of 36,00,000 equity shares of face value of Rs. 10/- each at a price of Rs. 75/- per equity share aggregating to Rs. 27,00,00,000/-. The Public issue was open for subscription from 20-03-2024 till 22-03-2024.

The details of net proceeds are set forth below:

(Rs. In Lakh)

| Particulars | Projected | Actual |
|-----------------------------|------------------|---------------|
| Gross Proceeds of the issue | 2700.00 | 2700.00 |
| Less: Public Issue Expense | 390.52 | 390.52 |

The Details of the utilization of the proceeds of the proceeds of the FPO is given as under:

| Object | Proposed | Utilized till 31-03-2024 | Unutilized |
|---|-----------------|---------------------------------|-------------------|
| Funding capital expenditure towards installation of plant & machinery in our existing premises along with required civil, electric and fabrication work | 1,174.98 | – | 1,174.98 |
| Repayment/prepayment, in full or part, of certain borrowings availed of by our Company | 125.00 | – | 125.00 |
| Funding working capital requirements of our Company | 750.00 | 489.60 | 260.40 |
| General corporate purposes | 259.50 | 12.72 | 246.78 |
| Issue related expenses | 390.52 | 390.52 | – |
| | 2700.00 | 892.84 | 1807.16 |

Notes: The net proceeds which were unutilized as at 31st March, 2024 are kept in Escrow account of Kotak Mahindra Bank and Current account of Union Bank of India.

2.26 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 an 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 FDRs in bank and has investment in Union Balanced Advantage Fund (Note 12) against which margin money towards bank guarantee is adjusted by bank as and when issued.

2.27 Additional regulatory and other information as required by the Schedule III to the Companies Act 2013

- a. The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.
- b. Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with Registrar of Companies, within the prescribed time or within the extended time requiring the payment of additional fees.
- c. The Company is not required to spend on Corporate Social Responsibility (CSR) expenditure, since neither Company's Net worth is Rs. 500 crore or more, Turnover Rs. 1,000 crore or more and nor the Net Profit is Rs. 5 crore or more during immediately preceding year and hence provisions of section 135 of the Act are not applicable.
- d. There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- e. The Company is not declared as willful defaulter by any bank or financial Institution or other lenders.
- f. The Company does not have central data base of struck off companies in India and hence Company is unable to trace parties with whom it has entered into transactions, which are struck off by Registrar of Companies.
- g. The Company do not have any parent company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies +(Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.
- h. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- i. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- j. The Company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- k. The Company do not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.
- l. The Company did not trade or invest in Crypto Currency or virtual currency during the Financial Year. Hence, disclosures relating to it are not applicable.

2.28 Previous year figures

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

FOR C B MEHTA & ASSOCIATES

Chartered Accountants
FRN 124978W

C B MEHTA

Proprietor
MRN - 116543

Place : **Mumbai**

Date: **May 28, 2024**

UDIN: 24116543BKAGHE3862

FOR & ON BEHALF OF THE BOARD**R C VISHWAKARMA**

Managing Director
DIN:00091492

M C VISHWAKARMA

Wholetime Director & CFO
DIN:00096586

N C VISHWAKARMA

Director & CEO
DIN:00103447

DHARA P SHAH

Company Secretary

Notes forming part of the Financial statement for the year ended 31st March, 2024

3 Share Capital

(Rs. in Lakh)

| Share Capital | March 31, 2024 | | March 31, 2023 | |
|---|----------------|----------|----------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| (a) Authorised Share Capital | | | | |
| Equity shares of Rs. 10/- each with voting rights | 1,25,00,000 | 1,250 | 1,00,00,000 | 1,000 |
| | 1,25,00,000 | 1,250 | 1,00,00,000 | 1,000 |
| (b) Issued, subscribed and fully paid up | | | | |
| 1,17,74,400 Equity Shares of Rs. 10/- each with voting rights | 1,17,74,400 | 1,117.44 | 68,12,000 | 681.20 |
| (68,12,000 Equity Shares of Rs.10/- each with voting rights) | | | | |
| | 1,17,74,400 | 1,117.44 | 68,12,000 | 681.20 |

(c) Reconciliation of number of shares outstanding at the beginning and at the end of the period**Equity Shares**

| | | | | |
|---|--------------------|-----------------|------------------|---------------|
| - At the beginning of the period | 68,12,000 | 681.20 | 68,12,000 | 681.20 |
| - Bonus shares issued during the period | 13,62,400 | 136.24 | – | – |
| - Issued during the period | 36,00,000 | 360.00 | – | – |
| - At the end of the period | <u>1,17,74,400</u> | <u>1,117.44</u> | <u>68,12,000</u> | <u>681.20</u> |

During the year ended March 31, 2024, the Company allotted 13,62,400 (March 31, 2023: Nil) equity shares of Rs. 10 each as bonus shares in proportion of one equity share for every five shares held by capitalisation of securities premium.

The Company came out with its Follow - on- Public Offering (FPO) of 36,00,000 Equity shares of face value of Rs. 10/- each for a price of Rs. 75/- per equity share aggregating to Rs. 27,00,00,000.

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

| Share Capital | As at March 31, 2024 | | As at March 31, 2023 | |
|-------------------------------|----------------------|---------------|----------------------|---------------|
| | No. of Shares | % of Holdings | No. of Shares | % of Holdings |
| (i) Rajendra C Vishwakarma* | 16,80,000 | 14.27 | 14,00,000 | 20.55 |
| (ii) Mahendra C Vishwakarma* | 16,80,000 | 14.27 | 14,00,000 | 20.55 |
| (iii) Narendra C Vishwakarma* | 10,20,000 | 8.66 | 8,50,000 | 12.48 |
| (iv) Ravindra C Vishwakarma* | 7,20,000 | 6.11 | 6,00,000 | 8.81 |

(e) Details of Promoter shareholding of Equity Shares in the Company

| Shareholder holding equity shares with voting rights | No of Shares | % of holding | Change during the year |
|--|--------------|--------------|------------------------|
| (i) Rajendra C Vishwakarma* | 16,80,000 | 14.27 | -6.28% |
| (ii) Mahendra C Vishwakarma* | 16,80,000 | 14.27 | -6.28% |
| (iii) Narendra C Vishwakarma* | 10,20,000 | 8.66 | -3.82% |

* The above includes bonus shares allotted by the Company on October 7, 2023 in the ratio of one (1) equity share for every five (5) shares held - share to directors

4 RESERVE & SURPLUS

(Rs. in Lakh)

| | March 31, 2024 | March 31, 2023 |
|--|-----------------|-----------------|
| a Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening Balance | 1,712.57 | 1,321.98 |
| Add: Profit / (Loss) for the period | 366.30 | 390.59 |
| | <u>2,078.87</u> | <u>1,712.57</u> |

b Securities Premium

| | | |
|--|-----------------|-----------------|
| Opening Balance | 177.51 | 177.51 |
| <u>Add</u> : Amount received a Public Issue of equity shares | 2,340.00 | – |
| Less: Utilised during the year on account of issue of bonus shares | (136.24) | – |
| Less: Utilised during the year on account of issue expenses | (403.24) | – |
| | <u>1,978.03</u> | <u>177.51</u> |
| | 4,056.91 | 1,890.08 |

5 Long Term Borrowings*(Amount in Lakh)***As at 31-Mar-24** **As at 31-Mar-23****a Term Loans from Banks**

| | | |
|---|--------------|---------------|
| Secured | 342.86 | 425.55 |
| Less: Installments due within 12 months | (251.99) | (192.79) |
| | <u>90.87</u> | <u>232.76</u> |

b Loans and advances from related parties

| | | |
|--------------------------|---|--------|
| Unsecured | | |
| Directors of the company | – | 172.25 |

c Long-term maturities of finance lease obligations

| | | |
|---|--------------|---------------|
| Secured | | |
| Vehicle Loans | 0.91 | 3.33 |
| Less: Installments due within 12 months | (0.91) | (2.44) |
| | – | 0.89 |
| | <u>90.87</u> | <u>405.90</u> |

1. Term Loans from Banks are secured by:**a. Mortgage of following Immovable Properties:**

- Factory Land & Building on Plot No. 6/7/8, New GIDC, 52 Hecter (Expansion) Industrial Area, New GIDC, Umbergaon Industrial Estate, Umbergaon 396171 Valsad, Gujarat admeasuring 161400 sq.ft. in the name of M/s Omfurn India Limited. - Leasehold
- Unit No 305, 3rd Floor Western Edge II, Kanakia Spaces, W E Highway, Borivali East, admeasuring 4193.00 sq. ft. (Super Built up) in the name of M/s Omfurn India Limited
- 106, 1st Floor, Gundecha Industrial Estate, Akurli Road, Kandivali East, Mumbai 400101 admeasuring 762 sq. ft. in the name of Mr Rajendra C Vishwakarma
- 107, 1st Floor, Gundecha Industrial Estate, Akurli Road, Kandivali East, Mumbai 400101 admeasuring 554 sq. ft. in the name of Mr Mahendra C Vishwakarma
- 109, 1st Floor, Gundecha Industrial Estate, Akurli Road, Kandivali East, Mumbai 400101 admeasuring 462 sq. ft. in the name of Mrs Manbhavtidevi R Vishwakarma
- 110, 1st Floor, Gundecha Industrial Estate, Akurli Road, Kandivali East, Mumbai 400101 admeasuring 462 sq. ft. in the name of Mrs Malatidevi M Vishwakarma
- Flat No. 1308, Sur wings Floor No 13, Veena Saaz Sur taal CHS Ltd, takur complex, Kandivali East, Mumbai In the name of Mr Rajendra C Vishwakarma & Mr Mahendra C Vishwakarma

b. Hypothication of Company's Stock and Trade Receivables, both present and future. Personal gurantee of 3 directors, Mr. Rajendra C. Vishwakarma, Mr. Narendra C. Vishwakarma and Mr. Mahendra C. Vishwakarma along with Mrs. Manbhavtidevi R Vishwakarma & Mrs. Maltidevi M Vishwakarma.**c. Additional liquid collateral Rs. 0.55 cr acceptable to bank (To maintain collateral coverage at 75% or above for coverage under Union MSME Suvidha)**

2. Vehicle loans are secured against specified assets
3. For the current maturities of long-term borrowings, refer Note on Short Term Borrowings.
4. **Details of terms of repayment for long-term borrowings and security provided in respect of the secured long-term borrowings:**
 - a. Secured Term loan of Rs.86.44 Lakh (Previous Year Rs.190.60 Lakh) borrowed @ 11.30% p.a. from Union Bank of India repayable by Apr 2024.
 - b. Secured Term loan of Rs.14.10 Lakh (Previous Year Rs.94.95 Lakh) borrowed @ 7.50% p.a. from Union Bank of India repayable by May 2024.
 - c. Secured Term loan of Rs. 132.22 Lakh (Previous Year Rs.140 Lakh) borrowed @ 7.50% p.a. from Union Bank of India repayable by January 2027.
 - d. Secured Vehicle Term loan of Rs.0.91 Lakh (Previous Year Rs.3.33 Lakh) borrowed @ 7.75% p.a. from Union Bank of India repayable by Sept 2024.
 - e. Secured term loan of Rs.103 Lakh borrowed @10.20% p.a. from Union Bank of India repayable by Sept 2028.

| 6 Other Long Term Liabilities | (Rs. in Lakh) | |
|--------------------------------------|-----------------------|-----------------------|
| | March 31, 2024 | March 31, 2023 |
| (a) Security deposits received | | |
| Lease Rental Deposit | 40.60 | 40.60 |
| | 40.40 | 40.60 |

7 Short Term Borrowings

| | | |
|--|-----------------|---------------|
| a <u>Loans repayable on demand</u> | | |
| From Banks | | |
| Secured | | |
| - Cash Credit account with Union Bank of India | 1,191.41 | 536.97 |
| b <u>Current maturities of long term debts</u> | | |
| - Term loans from banks | 251.00 | 192.79 |
| c <u>Current maturities of finance lease obligations</u> | | |
| - Vehicle loans | 0.91 | 2.44 |
| | 1,444.31 | 732.20 |

Notes:

1. Cash Credit facility from Union Bank of India is secured by hypothecation of stocks and trade receivables, both present and future. The Cash Credit facility carries interest rate of 10.20% p.a.
2. Term Loans are secured by the mortgage of the specified immovable properties, Plant and Machinery and other Equipments
3. Both of the above are secured by personal guarantees of the 3 directors, Mr. Rajendra C Vishwakarma, Mr. Mahendra C Vishwakarma and Mr. Narendra C Vishwakarma along with Mrs. Manbhavtidevi R Vishwakarna & Mrs. Maltidevi M Vishwakarma

| 8 Trade Payables | (Rs. in Lakh) | |
|--|-----------------------|-----------------------|
| | March 31, 2024 | March 31, 2023 |
| a <u>Other trade payables</u> | | |
| (i) Total outstanding due to MSE Units | 149.04 | 2.98 |
| (ii) Total outstanding due to Other than MSE Units | 798.42 | 1,195.74 |
| | 947.45 | 1,198.72 |

9 Other Current Liabilities

| | | |
|-------------------------|---------------|---------------|
| a <u>Other payables</u> | | |
| Statutory Remittances | 54.09 | 138.23 |
| Advance from Customers | 356.98 | 398.60 |
| | 411.07 | 536.84 |

10 Short Term Provisions

| | | | |
|---|--|---------------|---------------|
| a | <u>Provision for Employee Benefits</u> | | |
| | Provision for Salaries and Wages | 54.64 | 38.53 |
| | Provision for Gratuity | 26.20 | 3.47 |
| b | Provision for Income Tax | 130.00 | 130.00 |
| c | <u>Provision - Others</u> | | |
| | Provision for Expenses | 17.02 | 28.58 |
| | | 227.86 | 200.58 |

11 Property, Plant and Equipment and Intangible Assets**(Rs. in Lakh)**

| Assets | Gross Block | | | Provision for Depreciation | | | | Written Down Value | | |
|--------------------------|-----------------|---------------|------------------------|----------------------------|-----------------|----------------------------------|-------------|--------------------|----------------------|----------------------|
| | Opening Balance | Additions | Disposals/ Adjustments | Closing Balance | Opening Balance | Depreciation charged during year | Disposals | Closing Balance | As on March 31, 2024 | As on March 31, 2023 |
| Land | 130.06 | - | - | 130.06 | - | - | - | - | 130.06 | 130.06 |
| Buildings | 1,091.94 | 254.35 | - | 1,346.29 | 568.03 | 40.41 | - | 608.44 | 737.85 | 523.91 |
| Vehicles | 48.72 | 7.39 | - | 56.11 | 43.65 | 1.41 | - | 45.06 | 11.05 | 5.06 |
| Plant and machinery | 1,131.53 | 108.58 | 8.00 | 1,232.10 | 729.65 | 74.50 | 7.60 | 796.55 | 435.55 | 401.88 |
| Furniture and Fixtures | 5.03 | 18.77 | - | 23.80 | 3.75 | 3.82 | - | 7.58 | 16.23 | 1.28 |
| Office Equipments | 25.81 | 25.85 | - | 51.66 | 22.21 | 5.40 | - | 27.61 | 24.05 | 3.60 |
| Others: | | | | | | | | | | |
| Electrical Installations | 58.10 | 5.48 | - | 63.59 | 49.91 | 1.93 | - | 51.84 | 11.75 | 8.20 |
| Computers | 35.31 | 5.81 | - | 41.12 | 28.41 | 5.02 | - | 33.43 | 7.69 | 6.90 |
| Softwares | 17.50 | 12.31 | - | 29.81 | 2.01 | 5.53 | - | 7.54 | 22.26 | 15.49 |
| Total | 2,544.01 | 438.54 | 8.00 | 2,974.54 | 1,447.63 | 138.01 | 7.60 | 1,578.04 | 1,396.50 | 1,096.37 |
| Previous Year | 2,483.73 | 203.77 | 143.49 | 2,544.01 | 1,470.94 | 111.52 | 134.83 | 1,447.63 | 1,096.37 | 1,012.79 |

Notes forming part of Financial Statements for the year ended March 31, 2023

| | Opening Balance | Additions | Disposals/ Adjustments | Closing Balance | Opening Balance | Depreciation charged during year | Disposals | Closing Balance | As on March 31, 2024 | As on March 31, 2023 |
|--------------------------|-----------------|---------------|------------------------|-----------------|-----------------|----------------------------------|---------------|-----------------|----------------------|----------------------|
| Land | 130.06 | - | - | 130.06 | - | - | - | - | 130.06 | 130.06 |
| Buildings | 1,091.94 | - | - | 1,091.94 | 525.67 | 42.36 | - | 568.03 | 523.91 | 566.27 |
| Vehicles | 48.72 | - | - | 48.72 | 42.19 | 1.47 | - | 43.65 | 5.06 | 6.53 |
| Plant and machinery | 1,097.29 | 177.73 | 143.49 | 1,131.53 | 804.53 | 59.95 | 134.83 | 729.65 | 401.88 | 292.75 |
| Furniture and Fixtures | 3.99 | 1.05 | - | 5.03 | 3.70 | 0.05 | - | 3.75 | 1.28 | 0.29 |
| Office Equipments | 24.05 | 1.76 | - | 25.81 | 21.45 | 0.76 | - | 22.21 | 3.60 | 2.60 |
| Others: | | | | | | | | | | |
| Electrical Installations | 58.10 | - | - | 58.10 | 47.53 | 2.38 | - | 49.91 | 8.20 | 10.58 |
| Computers | 29.58 | 5.73 | - | 35.31 | 25.86 | 2.55 | - | 28.41 | 6.90 | 3.72 |
| Softwares | - | 17.50 | - | 17.50 | - | 2.01 | - | 2.01 | 15.49 | - |
| Total | 2,483.73 | 203.77 | 143.49 | 2,544.01 | 1,470.94 | 111.52 | 134.83 | 1,447.63 | 1,096.37 | 1,012.79 |

12 Non Current Investments**(Rs. in Lakh)**

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| (a) <u>Investment in Equity Instruments</u> | | |
| In Equity shares of Union Bank of India Limited [200 equity shares (200 equity shares - 31.03.2023) of Rs 16 each] | 0.03 | 0.03 |
| (b) <u>Investment in Mutual funds</u> | | |
| In Union Balanced Advantage Fund | 80.00 | 80.00 |
| (c) <u>Other Non current Investments</u> | | |
| Recurring Deposit with Bank | 36.57 | 30.40 |
| | 116.60 | 110.43 |
| <i>Aggregate amount of quoted investments</i> | <i>80.03</i> | <i>80.03</i> |
| <i>Aggregate market value of quoted investments</i> | <i>102.79</i> | <i>85.80</i> |

| | March 31, 2024 | (Rs. in Lakh) March 31, 2023 |
|--|----------------|---------------------------------|
| 13 Long Term Loans and Advances | | |
| (a) Advance Income Tax | 131.02 | 103.05 |
| | 131.02 | 103.05 |

| | March 31, 2024 | (Rs. in Lakh) March 31, 2023 |
|------------------------------------|----------------|---------------------------------|
| 14 Other Non-Current Assets | | |
| (a) Security Deposits | 65.31 | 40.60 |
| (b) Term Deposits | 88.63 | 83.78 |
| | 153.94 | 124.38 |

| | March 31, 2024 | (Rs. in Lakh) March 31, 2023 |
|-------------------------|-----------------|---------------------------------|
| 15 Inventories | | |
| (a) Raw Materials | 557.95 | 809.27 |
| (b) Semi Finished goods | 328.86 | 450.96 |
| (c) Work In Progress | 1,141.42 | 623.07 |
| | 2,028.22 | 1,883.30 |

| | March 31, 2024 | (Rs. in Lakh) March 31, 2023 |
|--|-----------------|---------------------------------|
| 16 Trade Receivables | | |
| <u>Trade Receivables Considered Good - Unsecured</u> | | |
| (a) Outstanding for a period exceeding six months | 1,111.41 | 584.97 |
| (b) Outstanding for a period less than six months | 1,124.44 | 1,330.20 |
| | 2,235.85 | 1,915.16 |

| | March 31, 2024 | (Rs. in Lakh) March 31, 2023 |
|----------------------------------|-----------------|---------------------------------|
| 17 Cash and Cash Balances | | |
| <u>Cash and Cash Equivalents</u> | | |
| (a) Cash on hand | 0.16 | 0.17 |
| (b) Balances with Banks | | |
| Current Accounts | 1,868.44 | 66.10 |
| Deposit Accounts | 315.21 | 238.21 |
| | 2,184.32 | 304.48 |

Of the above, the balance that meet the definition of cash and cash equivalents as per AS 3 Cash Flow Statement is Rs. 1868.60 Lakh (As at March 31, 2023 Rs. 66.27 Lakh)

Other Bank balance includes Deposit amount which are used as margin monies for bank guarantee issued by bank.

| | March 31, 2024 | (Rs. in Lakh) March 31, 2023 |
|---|----------------|---------------------------------|
| 18 Short Term Loans and Advances | | |
| (a) Advance for Expenses | 41.16 | 84.37 |
| (b) Loans and Advances to Employees | 8.21 | 2.01 |
| (d) Prepaid Expenses | 11.77 | 15.34 |
| (e) Balance with Government Authorities | 122.05 | 79.08 |
| | 183.18 | 180.80 |

| | (Rs. in Lakh) | |
|--|-------------------|-------------------|
| | As at 31-Mar-2024 | As at 31-Mar-2023 |
| 19 Revenue from Operations | | |
| Sale of Products | 8,028.82 | 5,516.19 |
| Sale of Services | – | 1,507.21 |
| | 8,028.82 | 7,023.40 |
| | | (Rs. in Lakh) |
| | As at 31-Mar-2024 | As at 31-Mar-2023 |
| 20 Other Income | | |
| Interest Income on | | |
| Bank Deposits | 24.67 | 17.33 |
| Other Interests | 0.03 | 4.66 |
| Rental Income | 71.78 | 48.80 |
| Dividend received | 0.01 | 0.00 |
| Foreign Exchange Fluctuation Gain | 0.65 | 1.69 |
| Subsidy Received | 10.34 | 12.21 |
| Gain on sale of fixed assets | 1.40 | – |
| | 108.88 | 84.70 |
| | | (Rs. in Lakh) |
| | As at 31-Mar-2024 | As at 31-Mar-2023 |
| 21 Cost of Materials Consumed | | |
| Opening Stock of Raw Materials | 809.27 | 384.60 |
| Add: Cost of Raw Material and Sub Contracts | 5,908.68 | 5,279.71 |
| | 6,717.95 | 5,664.31 |
| Less: Closing Stock of Raw Materials | (557.95) | (809.27) |
| | 6,160.00 | 4,855.04 |
| | | (Rs. in Lakh) |
| | As at 31-Mar-2024 | As at 31-Mar-2023 |
| 22 Changes in Inventories of Work in Progress and Semi Finished Goods | | |
| Inventory at end of the period | | |
| - Semi-Finished goods | 328.86 | 450.96 |
| - Work in progress | 1,141.42 | 623.07 |
| | 1,470.28 | 1,074.03 |
| Inventory at beginning of the period | – | – |
| - Semi-Finished goods | 450.96 | 272.71 |
| - Work in progress | 623.07 | 952.83 |
| | 1,074.03 | 1,225.54 |
| | (396.25) | 151.52 |
| | | (Rs. in Lakh) |
| | As at 31-Mar-2024 | As at 31-Mar-2023 |
| 23 Employee Benefit Expense | | |
| Salary and Wages, Bonus etc. | 664.78 | 483.67 |
| Contribution to provident fund and other funds | 84.74 | 76.37 |
| Workmen and Staff Welfare Expenses | 43.88 | 54.46 |
| | 793.40 | 614.50 |

| | (Rs. in Lakh) | |
|-------------------------|-------------------|-------------------|
| | As at 31-Mar-2024 | As at 31-Mar-2023 |
| 24 Finance Costs | | |
| Interest Expense on | | |
| On Borrowings | 140.14 | 128.13 |
| Other Borrowing Costs | 77.23 | 78.06 |
| | 217.38 | 206.19 |

| | (Rs. in Lakh) | |
|---|-------------------|-------------------|
| | As at 31-Mar-2024 | As at 31-Mar-2023 |
| 25 Other Expenses | | |
| Advertisement Expenses | 2.84 | 1.90 |
| Bank Charges | - | 0.10 |
| Commission Expenses | 16.46 | 0.85 |
| Coolie and Cartage | 85.09 | 65.88 |
| Communication Expenses | 3.44 | 3.42 |
| Insurance Expenses | 27.85 | 18.91 |
| Legal and Professional Fees | 78.89 | 36.27 |
| Listing and other fees | 0.98 | 1.68 |
| Membership & Subscription Charges | 0.16 | 0.21 |
| Miscellaneous expenses | 34.66 | 6.05 |
| Net loss on sale of Assets | - | 6.46 |
| Other Manufacturing and Operating Expenses | 15.21 | 19.07 |
| <u>Payment to Auditors</u> | | |
| As Statutory Auditors | 5.85 | 6.50 |
| Postage & Courier Expenses | 1.74 | 2.44 |
| Power and Fuel | 97.48 | 66.52 |
| Printing & Stationery Expenses | 8.39 | 8.87 |
| Rates and Taxes | 24.49 | 27.21 |
| Rents | 44.63 | 35.72 |
| Repairs and Maintenance | 34.31 | 67.54 |
| Security Charges | 7.77 | 7.21 |
| Software Expenses | 8.18 | 1.40 |
| Sundry Balances Written off | 0.22 | 143.87 |
| Transportation, Freight, Loading and Unloading Expenses | 175.00 | 114.70 |
| Travelling and Conveyance Expenses | 61.43 | 39.80 |
| | 735.07 | 682.59 |

| | (Rs. in Lakh) | |
|--|-------------------|-------------------|
| | As at 31-Mar-2024 | As at 31-Mar-2023 |
| 26 Earnings Per Equity Share | | |
| <u>Basic/Diluted Earnings Per Share</u> | | |
| Profit/ (loss) attributable to Equity Shareholders | 366.31 | 390.59 |
| Weighted Average number of equity shares | 82.34 | 81.74 |
| Basic Earnings per share in Rs. | 4.45 | 4.78 |
| Face Value per share in Rs. | 10 | 10 |

As per our report of even date

FOR C B MEHTA & ASSOCIATES

Chartered Accountants

FRN 124978W

C B MEHTA

Proprietor

MRN - 116543

Place : **Mumbai**

Date: **May 28, 2024**

UDIN: 24116543BKAGHE3862

FOR & ON BEHALF OF THE BOARD

R C VISHWAKARMA

Managing Director

DIN:00091492

M C VISHWAKARMA

Whole Time Director & CFO

DIN:00096586

N C VISHWAKARMA

Director & CEO

DIN:001033447

DHARA P SHAH

Company Secretary

OMFURN INDIA LIMITED

Form No. MGT-11

PROXY FORM

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

| | |
|---------------------------|--|
| CIN | : L20200MH1997PLC111887 |
| 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 | : |
| E-mail Id | : |
| Folio No./Client ID-DP IF | : |

I/We being the member (s) of _____ shares of the above named Company, hereby appoint:

| | | |
|---|-----------|----------------|
| 1 | Name | |
| | Address | |
| | E-mail Id | |
| | Signature | |
| | | Or Failing him |
| 2 | Name | |
| | Address | |
| | E-mail Id | |
| | Signature | |
| | | Or Failing him |
| 3 | Name | |
| | Address | |
| | E-mail Id | |
| | Signature | |

As my/our proxy to attend and vote for me/us on my/our behalf at the 27th Annual General Meeting of the Company to be held on Saturday, September 21, 2024 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 | |
|------------------------------|--|---------|---------|
| | | For | Against |
| Ordinary Resolutions: | | | |
| 1 | To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 along with the Reports of the Directors' and Auditors' thereon. | | |
| 2 | To appoint a Director in place of Mr. Narendra C Vishwakarma (DIN: 00103447), who retires by rotation and being eligible, offers himself for re-appointment. | | |
| 3 | To appoint Statutory Auditors and fix their remuneration | | |
| Special Business: | | | |
| 4 | To consider re-appointment of Mr. Prasad N Chirravuri (DIN:08604812) for the second term of 5 years as a Non-Executive Independent Director of the Company | | |
| 5 | To consider re-appointment of Ms. Geeta (DIN:08769814) for the second term of 5 years as a Non-Executive Independent Director of the Company | | |

| |
|-------------------------------|
| Affix ₹ 1 Revenue Stamp |
|-------------------------------|

Signed this _____ day of _____ 2024.

Signature of the Shareholders _____

Signature of Proxy holder(s) _____

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

ATTENDANCE SLIP

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

I/We record my/our presence at the 27th Annual General Meeting of the Company to be held on Saturday, September 21, 2024 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.



OMFURN INDIA LIMITED

Maker of state-of-the art Modular Furniture

ISO 9001:2015 | ISO 14001:2015 | ISO 45001:2018 Certed

Regd. Office: 109, Gundecha Industrial Complex, Akurli Road, Kandivali (E), Mumbai-400101, Maharashtra.

T: 022 4210 8900 | M: +91 9820520026 / +91 9833122847

E: omfurn@omfurnindia.com | W: www.omfurnindia.com

