OMFURN
creation out of your dreams

25th January, 2018

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

Reference: Omfurn India Limited
NSE Code: OMFURN

Dear Sir,

Subject: Analyst / Institution Investors Meetings held on Thursday, January 25, 2018.

Pursuant to Regulation 30(6) of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, please find enclosed herewith the presentation made by the Company at the Sarthi Emerging Business Conclave, 2018 on Thursday, January 25, 2018.

We request you to kindly take the same on record.

Thanking You,

For Omfurn India Limited

OMFURN INDIA LTD MUMBAI 400 101.

Mahendra Chitbahal Vishwakarma
Wholetime Director
DIN: 00096586

SARTHI

Sarthi Capital Advisors Private Limited

Bridging the Gaps

OMFURN®

Creation out of your dreams

OMFURN INDIA LTD

January, 2018

Privileged and Confidential

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SARTHI

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Corporate Overview

Corporate Overview

SARTHI

- OMFURN INDIA was established in 1997 headquartered in Mumbai with a mission to provide premium quality commercial furniture to its customers .
- It manufactures and supplies modular furniture which broadly includes hotel furniture, office furniture, school furniture, wooden shutter doors & door frames in terms of customized, system based or Turnkey project's throughout India & abroad.
- Projects ranging from Hotels, Residential, Offices, Shopping Malls, Hospital, IT Parks, International Schools, Pre-Finished doors, Fire Rated doors are executed through the complete design and build concept with highly innovative ideas and practical approach.
- It has also diversified new field of offering eco-friendly products & completed Greenfield projects in India with a vision of expansion in client base to international pastures in Africa and middle east.
- A team of experienced design personal is dedicated to design innovative and upgraded products to keep pace with the constantly changing times and the demand for cost effective and eco-friendly green furniture as designed in today's environment.
- It is also in an unique position to provide technical solutions to complicated fit-out projects, due to the fact that all engineering and shop drawing is performed in-house and under one roof.
- It has proclaimed the ISO 9001, 14001, and OHSAS 18001 certification to maintain and ensure optimum quality at all times under the stringent certification rules.

Key Milestones

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1997

Company was incorporated as Om Vishwakarma Furniture Private Limited

2005

Established manufacturing unit in GIDC, Umbergaon, Gujarat

2015

Turnover crossed Rs 20 Crs

2016

Obtained ISO, OHSAS

2017

Implementation of New project for manufacture of doors and shutters IPO on NSE Emerge

Product Portfolio

SARTHI

Office Furniture

Tables

Cubicles

Workstations

Storage units

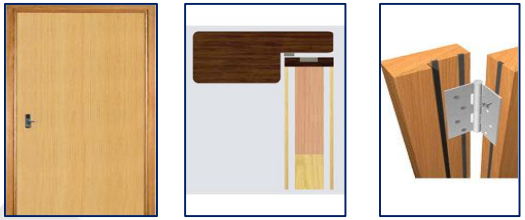
Meeting / Conference halls

Solid Wooden Doors

Laminated doors

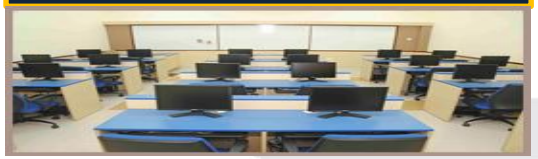
Veneer doors

PU Painted Doors


Fire safety Doors

School Furniture

Class Room Furniture


Computer Lab

Library

Hotel Furniture

Key Clientele

Corporates

5 Star Hotel Projects

- Westin Hotel, Oberoi Group, Mumbai
- Sangrila Hotel, Pallazzio Hotel & Leisure Ltd. Mumbai.
- Accore Novotel Hotel, HCC Lavassa.
- Eastin Hotel, Shree Siddhi Group, Ahmedabad.
- Rhythm Realty, Lonavala.
- Marriot Hotel, Pacifica Group, Ahmedabad.
- Fun Group of Hotel, Rani Group, Mumbai.
- Aristo Realty Hotel, Mumbai.
- Hyatt Hotel, L&T Realty, Chandigarh.

Doors & Door frames

- Oberoi Exquisite, Oberoi Realty, Goregaon, Mumbai.
- Oberoi Prisma Tower, Jogeshwari, Mumbai.
- Rivali park, CCI Group, Borivali, Mumbai.
- Shree Ahuja Tower, Ahuja Construction, Worli, Mumbai.
- Kalpataru Radiance, Goregaon, Mumbai.
- Larsen & Toubro Realty Emerald Tower, Powai, Mumbai.
- Lodha New Cuff parade, Wadala, Mumbai.
- Adani Estate Pvt Ltd, Versova, Andheri (West).
- R S Builders (Satguru Shlok), Bandra (West), Mumbai.

Operational Overview

Geographical Footprint And Certifications

SARTHI

Plant

Plot No. 6 to 8, 52 Hector, Expansion Area, New GIDC, Umbergaon – 396 171, Dist. Valsad, Gujarat, Ind.

Corporate Office

109, Gundecha Industrial Complex, Akurli Road, Kandivali (East),Mumbai - 400 101. India
Tel: +91 22 42108900
Website: www.omfurnindia.com

Occupational Health & Safety Management OHSAS 18001:2007

CERTIFIED ISO 9001:2015 COMPANY

International Organization for Standarization ISO 14001:2015

State of the art Infrastructure

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Machineries

- Plant became operational in 2005 at umbergaon(Gujarat) with state of the art unit of 80000 sq.ft constructed area on a company owned 15000 sq.metr plot.
- Equipped with latest woodworking CNC machines from Italy, Germany, Turkey & Austria of the leading international brands like Homage, brandt, cefla, felder, weeke, orma, emintosum etc
- Metal working section was commenced in 2007, Partition frames are made from CRCA steel and comprises of component manufacturing fabrication , pre-treatment & Powder Coating.
- Have recently installed a Wide Belt Sander machine from Germany and a Kleen Spray Booth from Cefla , Italy for Sanding and Polishing of Laquer/Veneer based products particularly to cater to hotel industries.
- The in-house product design and development solution providing service is undertaken on CAD based programs.
- Consists of Panel based and solid wood, Metal , Powder coating and finishing sections.

Power

- The power requirement at the Manufacturing Unit is 200KVA, which is met by Dakshin Gujarat Vij Company Limited.
- Company has also made an application for additional 100KVA and has installed a DG set of 62.5KVA.

Board of Directors

Mr. Rajendra Chitbahal Vishwakarma, aged 57 years, is the Promoter and the Managing Director of our Company. He started his career with carpentry work in 1975. In 1985 he started his business as carpentry contractor with his brother Mr. Mahendra Vishwakarma, Practically working on machine for a long time and with his excellent business acumen, he established Om Vishwakarma Furniture Private Limited in the year 1997.He later established a partnership firm named R. M. Enterprises in the year 2000. He has been focusing on the strategic decisions and market orientation for our Company. He has developed excellent clientele over these years with impeccable track record for quality deliverables. He also looks after day to day affairs of the Company.

Mr. Mahendra Chitbahal Vishwakarma, aged 52 Years, is the Promoter and Whole-Time Director of our Company. He started his career with carpentry work in 1980. In the year 1985 he joined his brother Mr. Rajendra Chitbahal Vishwakarma as a carpentry contractor. He co-promoted our company in the year 1997. He looks after procurement, banking & finance as well as administration

Mr. Mahesh Kumar Ranchhoddas Panchal, aged 64 Years, is Executive Director of our Company. He holds certificate in Mechanical Engineering. He has an experience of 18 years in the field of Mechanical Engineering. He looks after total technical aspect of machines & overall requirements of the plant.

Mr.Narendra Chitbahal Vishwakarma, aged 39 years, is the Executive Director of our Company. He holds qualifications in B. A., LL.B.He started his career with practical experience of furniture work & interior Business in the year 2003. At project site, he looks after the operations and also interacts with the representatives of customers. He also looks after the coordination of the site personnel for smooth functioning.

Board of Directors

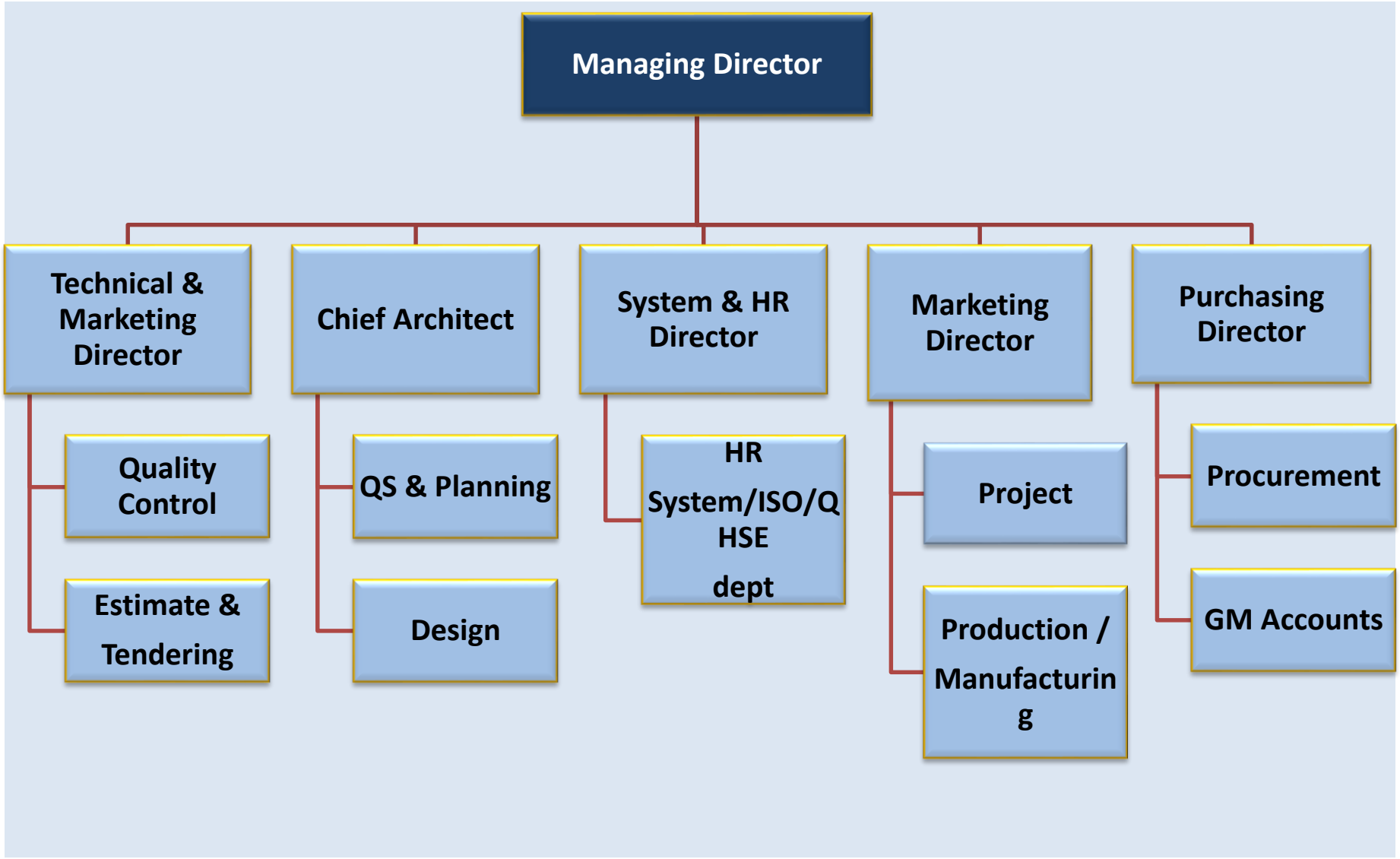
Mr.Sudhir Jayantilal Shah, aged 61 years, is the Non-Executive and Independent Director of our Company. He is a Commerce Graduate. He is the founder of the Company named Ameet Consultants & Engineers Pvt. Ltd. He has over 37 years experience in the plumbing engineering.

Mr.Parag Shrikrishna Edwankar, aged 54 years, is the Non-Executive and Independent Director of our Company. He has done B.E. (Civil) from University of Mumbai in the year 1985. He has been handlingcivil works for residential, commercial and industrial complexes.He has been successfully running his civil works business for last 22 years.

Mr.Umesh Madhukar Desai, aged 55 years, is the Non-Executive and Independent Director of our Company. He holds degree of Bachelor in Science from Mumbai University. He also holds certificate in Electrical Engineering from Board of Technical Examinations, Maharashtra. He is also a director in Blazon Engineering Company Private Limited a professionally managed company backed by an expert team of engineers and technicians.

Ms.Sonali Mandar Gandre, aged 43 years, is the Non-Executive and Independent Director of our Company. She has done Bachelors in Architecture from Kamala Raheja College of Architecture, Mumbai in the year 1998. She also holds Diploma in Advanced computing, DACA from CADAC Mumbai. She has been working as an independent architect for over a decade.

Organizational Structure



Industry Overview & Business Outlook

Industry Outlook - Furniture

- According to a World Bank study, the organised furniture industry is expected to grow by 20 per cent every year.
- As of 2015,the Indian furniture market is estimated to be worth US$ 17,922 million. Of this, wooden furniture accounts for US$5,358 million.
- The furniture sector in India makes a marginal contributes about 0.5percent to the total GDP
- Furniture industry comprises of Home furniture(65%), Office furniture(20%) and contract segment (15%)
- The organized residential furniture market is expected to triple in size to become USD 1.3 billion in the next 3 years, growing at a CAGR of 27% by 2020.
- There are around 1,200 hotels in India in the organised sector. More than 10 per cent of these are in the 5-star and above categories.

Threat of new entrants
- Fragmented Industry
- Growing domestic market
- Not an investment intensive industry

Suppliers Bargaining power
- Abundant supply of raw materials and labour
- Unorganised supplier base
- Easy imports

Competitive Rivalry
- Moderately competitive industry
- Into a transition in an organised sector

Customers bargaining power
- Increasing demand from key user segments
- Demand for lifestyle products
- Value for money sensitive Majority

Threat of substitutes
- No significant threat as of yet.

Industry Outlook – Domestic Opportunities

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- Increasing demand from key user segments
- Online is the fastest-growing channel in developing furniture markets
- The demand for luxury furniture is increasing
- Moderately competitive industry
- India is currently in a transition into organised sector
- Multi-functional, versatile furniture is gaining popularity
- Growing domestic market
- Huge market is still untapped due to largest consumption Economy

Competitive Strengths

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Experienced Management and Motivated Team

- Leadership is the result of team work allowing issues and ideas to be developed, widening the competitive advantage
- The business has grown steadily under the vision, leadership and guidance of the promoters due to their industry expertise.

Skilled and dedicated manpower

- The team comprises of personnel having technical, operational and business development experience
- Company takes pride in relating the success to it's 147 employees for their consistent efforts and dedication they have shown towards the Company
- Further, it requires application of high levels of technology at key stages of design and manufacturing processes.

Range of Product Offerings

- The Company offers a range of Furniture's which includes Executive office furniture, International school furniture, Modular office furniture, Bedroom Furniture, wooden door & frame etc. The range of Products that Company offers ensures the requirement of customer is fulfilled.

Compliance with Quality Standards

- Company has received ISO 9001, 14001 and OHSAS 18001 Certifications for the product quality which is an assurance to the domestic as well as overseas clientele .

SWOT Analysis

THREATS

- Changes in government policy and regulatory norms in country.
- There are no entry barriers for new entrants thus increasing competition.

OPPORTUNITIES

- Growing domestic market
- Increasing demand from key user segments
- Increasing number of international schools.
- Strong demand for door frames and shutters in real estate sector.

WEAKNESS

- Intense Competition from several unorganized players.
- Dependence on availability of materials specially wood

STRENGTHS

- Experience of promoters.
- Cordial relations with Customers.
- Track record of about of two decades indicates company's ability to survive business cycles.
- Established manufacturing facility

Business Strategy

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To Strengthen the existing Customers

- The top five customers contribute approximately 87.71% of revenues during the financial year 2016-17. There has been a continuous effort to strengthen the existing customers and also add more to the list inorder to fetch repeat orders.

Strengthening of business development & Team

- Company has already strengthened its sales and marketing team for the upcoming expansion plans of a business vertical.

Expansion into new product range

- The main purpose for the issue is the implementation of a project pertaining to door frames and shutters. Over the few years this product line has received a very good response from the real estate sector and so the company intends to start a separate production facility for the same forecasting the current boom in the sector.

Provide end to end solutions

- Omfurn produces innovative and operational commercial furniture solutions for all work and commercial environments. Since offlate, the trend is changing from customized furniture to ready to fit modular furniture. It undertakes projects From a single coffee table to a fully integrated turnkey to fit out over a number of floors.

WAY FORWARD – Growth Plans

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Shutters

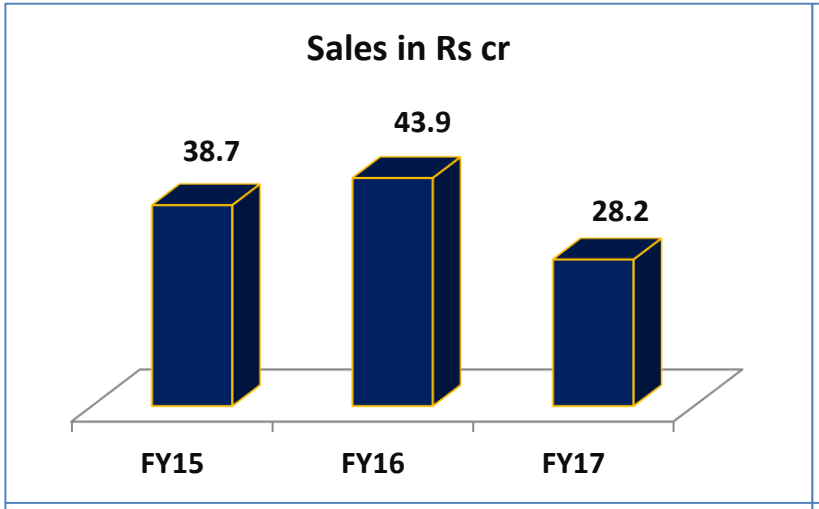
- Company is undertaking expansion of existing Plot No. 6 to 8 at Umbergaon in Gujarat to manufacture of door frames and shutters predominantly for real estate sector.
- The fund requirements for expansion project has been appraised by Union Bank of India and it has sanctioned a term loan of Rs. 625 Lakhs in June 2017 and remaining will be mobilized through the proposed Public issue.
- Company has started with the construction work for the proposed project and it is expected to be completed in the next few months
- A few years back it had introduced a new product line which broadly included different types of door frames and shutters and has received a very good response from the real estate sector. However, the demand could not be matched with equal supply due to restricted production capacity.
- This has caused opening of new production facility being the need of the hour to explore the upside of diversification.
- Some of the features of the facility includes :
  - Better use of unutilized plot area without additional investment
  - Reduction in energy consumption with the use of transparent insulated roof top
  - Earmarked areas for sanding and polishing to avoid dust collection on finished product
  - Wide gangways within the plant area to avoid material breakage
  - Maximum shop floor automation

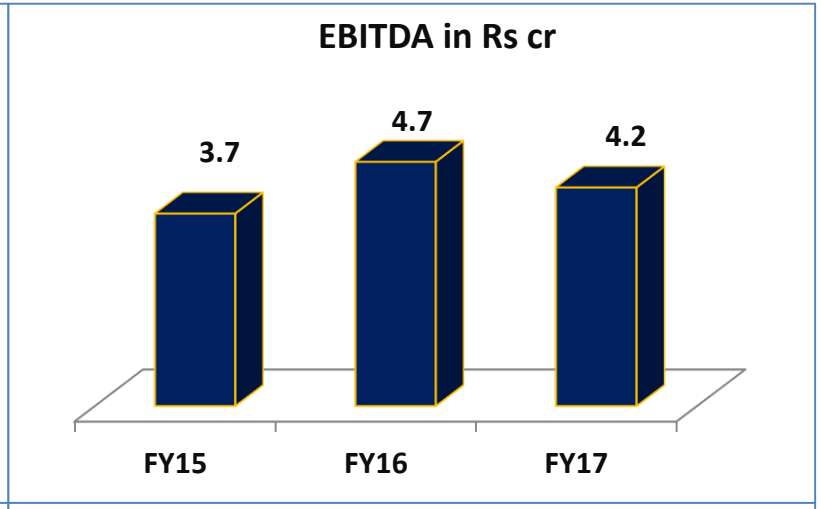
Door Frames

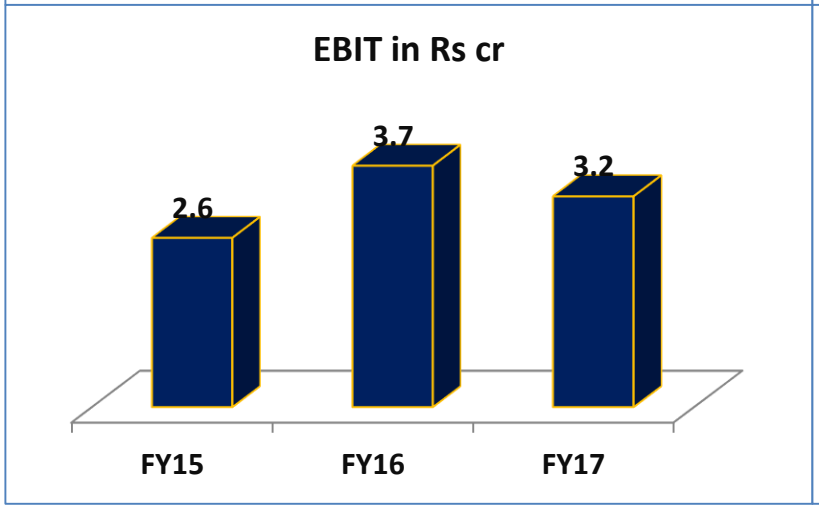
Financials

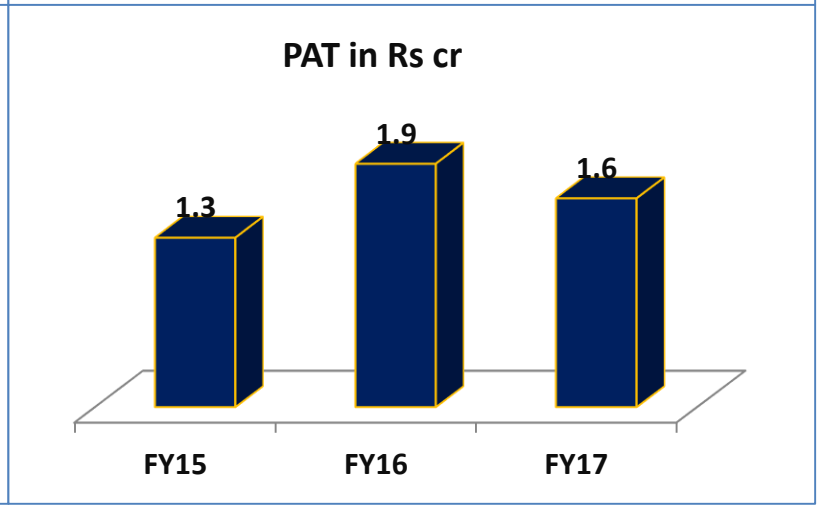
Financial Snapshot

SARTHI









Financial Summary (P&L)

SARTHI

Income Statement	FY15	FY16	FY17
Sales	**38.66**	**43.88**	**28.19**
Expenditure:			
Operating Expenses	30.37	34.42	19.68
Employee Expenses	2.60	2.61	2.31
Other Expenses	1.98	2.14	2.00
Total Expenditure	**34.96**	**39.18**	**23.99**
EBITDA	**3.70**	**4.70**	**4.21**
Depreciation	1.09	0.98	0.96
EBIT	**2.61**	**3.72**	**3.25**
Finance Cost	0.65	0.88	0.88
EBT	**1.96**	**2.84**	**2.37**
Exceptional Item	0.00	0.00	0.00
Taxes	0.65	0.96	0.77
PAT	**1.31**	**1.87**	**1.61**

Balance Sheet	FY15	FY16	FY17
Share Capital	0.50	0.50	5.00
Reserve & Surplus	11.69	13.57	10.68
Shareholders Funds	**12.19**	**14.07**	**15.68**
Deferred Lax Liabilities	0.07	0.43	0.43
Long Term Loans	2.88	3.46	2.77
Other Long Term Liabilities	0.25	0.24	0.25
Current Liabilities:			
Short Term Provisions	0.13	0.13	0.57
Trade Payables	3.21	3.67	3.41
Short term borrowings	2.12	4.11	4.32
Other Current Liabilities	5.56	4.19	2.81
Total Current Liabilities	**11.02**	**12.09**	**11.11**
Source of Funds	**26.41**	**30.29**	**30.23**
Fixed Assets	8.60	9.27	8.49
Investments	0.00	0.00	1.10
Loans & Advances	0.22	0.33	0.35
Other non current assets	0.00	0.04	0.00
Current Assets:			
Inventories	4.76	3.83	6.67
Debtors	8.75	12.47	9.57
Cash & Equivalents	2.60	2.80	2.05
Other current assets	1.19	1.14	1.32
Loans & Advances	0.29	0.41	0.67
Total Current Assets	17.60	20.65	20.29
Application of Funds	**26.41**	**30.29**	**30.23**

Ratio Analysis

SARTHI

Ratio Analysis	FY15	FY16	FY17
EBITDA Margin	9.6%	10.7%	14.9%
EBIT Margin	6.8%	8.5%	11.5%
EBT Margin	5.1%	6.5%	8.4%
PAT Margin	3.4%	4.3%	5.7%
RoCE	17.3%	21.2%	17.6%
RoNW	10.7%	13.3%	10.3%

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HAPPY TO HELP....

SARTHI CAPITAL ADVISORS PRIVATE LIMITED
Bridging the Gap

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