

Date: 24<sup>th</sup> September, 2018

To, Dept. of Corporate Services, Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 <b>Company Code: 533161</b>	To, The Listing Department, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400051 <b>Company Code: EMMBI</b>
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Dear Sirs,

**Sub: Submission of Annual Report under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The 24<sup>th</sup> Annual General Meeting of the Company was held on 24<sup>th</sup> September, 2018 and the meeting commenced at 10.30 a.m. at the Registered Office of the Company at 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U. T. of Dadra & Nagar Haveli, Silvassa 396230. The Meeting got concluded at 11.05 a.m. on the same day.

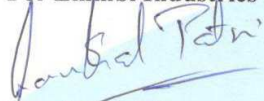
Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a soft copy of the Annual Report for the financial year 2017-18.

We request you to take the same on your records.

Thanking you,

Yours faithfully,

**For Emmbi Industries Limited**



**Kaushal Patvi**  
**Company Secretary**

Encl. As Above





2018

## Annual Report

Cleaner wheat flour quality, means more nutritional bread, and a healthier you



Cleaner wheat flour, for tastier pizzas



Delicious chocolates through improved aroma retention



Protecting lives through safer medicine delivery



Cleantech is a special manufacturing system for “contamination-free production”. The Products produced under this range are used for food and pharma-grade applications.

# Our Business Divisions



## Water Conservation

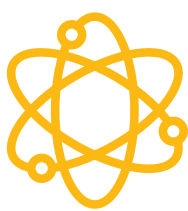
Water scarcity is a problem not just in India, but the world over. Emmbi Industries applies its expertise in polymer science and engineering to create a range of products that help in the storage, transportation, conservation and harvesting of water, apart from fulfilling the irrigation needs of farmers across the country. The newest division within our company, it has already helped conserve over 13 million liters of water in India and promises to contribute increasingly to our revenues.

## Emmbi in action

From transportation of material to protecting humans to conserving water and improving crop yields – Emmbi’s products find a myriad of applications in over fifty countries worldwide. Here are some examples of our products in action:



Water scarcity is a global problem. In India, the problem is even more acute, since we are dependent on monsoons. Emmbi Jalsanchay Pond Liners (above) help alleviate this problem by creating large artificial ponds that farmer scan use to store water and to irrigate their crops.



## Advanced Composites

“Composites” refers to a product range that brings together two or more distinct materials in the final application. Our Advanced Composites focuses on creating products that combine polymers with a number of protective films or coatings. The idea is to create a barrier between hazardous material and humans. So, these products find application in removal of hazardous waste like asbestos and medical waste and as Safety Films, to protect workers in hazardous environments.



Aluminium Liner (L) helps in Aroma Retention, Leak proof, High Thermal Resistance.

Suitable for: Metals , Food, Aroma retention, High temperature filing.



Conductive FIBC (R) helps in maintaining the resistivity of the material well within the prescribed limit of 108.



## Specialty Packaging

Specialty Packaging is the oldest division within Emmbi, and one that contributes the lion’s share of revenues currently. This division creates a range of packaging solutions for a global customer base across industries as diverse as chemicals, e-commerce, food, pharma and more. Ranging from the basic Flexible Intermediate Bulk Container to highly specialized ones like the “aroma-seal” variety, these products are primarily used in the bulk transportation of materials.



Our Specialty Packaging vertical creates diffrentiated products like Garden Waste Bag which has high UV resistance with long shelf life. Perforated weaves allows green waste to breathe.



Our Specialty Packaging vertical creates diffrentiated products like Protective Covers for Extra Large Objects such as Machinery and equipment, Farm implements, Recreational vehicles, Export shipments.



## Agro Polymers

As the name suggests, this division (along with Water Conservation, the youngest) applies our expertise in polymers to create a range of products suited to agricultural applications. India is still a predominantly agrarian economy and these products – like fermentation and crop protection systems, fermentation-, radiation- and hail-control products and weed-management products – have directly helped our farmers improve their crop yields, while helping our economy.



Emmbi Krishirakshak is our brand that helps protect your food from contamination from hazardous chemicals and pesticides, naturally. Shown above is our range of crop protection covers and below is shade net. These products are manufactured by our Agro Polymer vertical.







# Our Buzziest year. So far.

Perhaps, nothing embodies the spirit of strengthening and consolidation better than honey bees.

Their industriousness, teamwork and coordination in building something so beautiful (incidentally, honeycombs are one of the strongest and most stable structures around) is a wonder in itself. Their productivity is also legendary (which is where the term, “a beehive of activity” comes from!) Which is why, this forms the most appropriate theme for this year’s annual report.

2018 marks a significant year in Emmbi’s journey. It has been four years since we embarked on a new journey, beginning with our re-branding. It marked a remarkable shift in our strategy, where, no longer content with being just another polymer manufacturer, we decided to chart a new course into more value-added products and segments. In many ways, “Brighter Every Day” as a philosophy embodied that shift.

The next three years were dedicated to building, investing and largely, preparing the ground for the shift. 2018 is when we begin to, Our efforts begin to bear the first fruit. Naturally therefore, this is also the year where strengthening and consolidation become areas of key focus.



# Corporate Information

## BOARD OF DIRECTORS

Mr. Makrand M. Appalwar  
Chairman & Managing Director

Mrs. Rinku M. Appalwar  
Executive Director & CFO

Mr. Krishnan Subramanian  
Executive Director

Mr. Rama A. Krishnan  
Independent Director

Mr. Prashant K. Lohiya  
Independent Director

Dr. Venkatesh G. Joshi  
Independent Director

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kaushal R. Patvi

## STATUTORY AUDITORS

M/s. R. Daliya & Associates

## SECRETARIAL AUDITORS

M/s. Sanjay Dholakia & Associates

## REGISTERED OFFICE

99/2/1& 9, Madhuban Industrial Estate  
Madhuban Dam Road, Rakholi Village  
U.T. of Dadra & Nagar Haveli  
Silvassa – 396 230  
Tel: +91 (0260) 320 0948  
Fax: 022 6784 5506  
Email: [info@emmbi.com](mailto:info@emmbi.com)  
[www.emmbi.com](http://www.emmbi.com)

## COMPANY IDENTIFICATION NUMBER (CIN)

L17120DN1994PLC000387

## BOARD COMMITTEES

### Audit Committee

Mr. Prashant K. Lohiya (Chairman)  
Dr. Venkatesh G. Joshi  
Mr. Rama A. Krishnan  
Mrs. Rinku M. Appalwar

### Nomination & Remuneration Committee

Mr. Prashant K. Lohiya (Chairman)  
Mr. Rama A. Krishnan  
Dr. Venkatesh G. Joshi

### Committee of Directors Committee

Mr. Prashant K. Lohiya (Chairman)  
Mr. Makrand M. Appalwar  
Mrs. Rinku M. Appalwar

## BANKERS

Punjab National Bank  
ICICI Bank  
Axis Bank  
Saraswat Co-Op. Bank

## SHARE TRANSFER AGENTS

Datamatics Financial Services Limited  
Plot No. B-5, Part B Crosslane  
MIDC, Marol, Andheri (E), Mumbai 400 093  
Tel: 022 - 66712151-56  
Fax: 022 - 66712161  
Email: [investorsqry@dfssl.com](mailto:investorsqry@dfssl.com)

### Corporate Social Responsibility Committee

Dr. Venkatesh G. Joshi (Chairman)  
Mr. Prashant K. Lohiya  
Mr. Rama A. Krishnan  
Mrs. Rinku M. Appalwar

### Stakeholders Relationship Committee

Mr. Prashant K. Lohiya (Chairman)  
Mr. Rama A. Krishnan  
Dr. Venkatesh G. Joshi  
Mrs. Rinku M. Appalwar

# Contents

<b>Corporate Information</b>	<b>2</b>
<b>Chairman's Address</b>	<b>4</b>
<b>Your Directors</b>	<b>7</b>
<b>Notice of Annual General Meeting (AGM)</b>	<b>9</b>
<b>Directors Report</b>	<b>15</b>
<b>Annexures to Directors Report</b>	<b>20</b>
<b>Management Discussion and Analysis</b>	<b>36</b>
<b>Analysis of Financial Performance</b>	<b>45</b>
<b>Corporate Governance Report</b>	<b>46</b>
<b>Corporate Governance Certificate</b>	<b>56</b>
<b>Declarations, MD/CFO Certification</b>	<b>57</b>
<b>Independent Auditors' Report 2017-18</b>	<b>58</b>
<b>Annexure to Auditors' Report</b>	<b>60</b>
<b>Balance Sheet</b>	<b>63</b>
<b>Statement of Profit &amp; Loss</b>	<b>64</b>
<b>Statement of Changes in Equity</b>	<b>65</b>
<b>Cash Flow Statement</b>	<b>66</b>
<b>Notes on Financial Statements</b>	<b>67</b>
<b>Attendance Slip and Proxy Form</b>	<b>87</b>



## Chairman's Speech


Dear Shareholders,

On behalf of the Board and the Employees, let me welcome you to the 24th Annual General Meeting, and thank you once again for being a part of the Emmbi family. The year was interesting, exciting, and challenging. It gives me immense pleasure to inform you that what we had envisioned over the past years in terms of technological, operational, and financial milestones, were achieved. We introduced new products, expanded our capacity, increased efficiency, and importantly these decisions translated to improved financial performance. The journey has just begun, and going forward we would continue to innovate, improve and deliver.

The global growth for calendar 2017 was at 3.70% through a revival across Asia, and Europe. North America also exhibited good growth, driven by increased domestic consumption, and favourable tax policy changes. The other main market US had an uptick in manufacturing through external demand. With flare-ups in politically sensitive competing countries like Turkey and South American regions, global outlook for the Indian manufactures in next two years remains positive. India's economy grew at 6.70%, primarily driven by higher growth in the last two quaters.



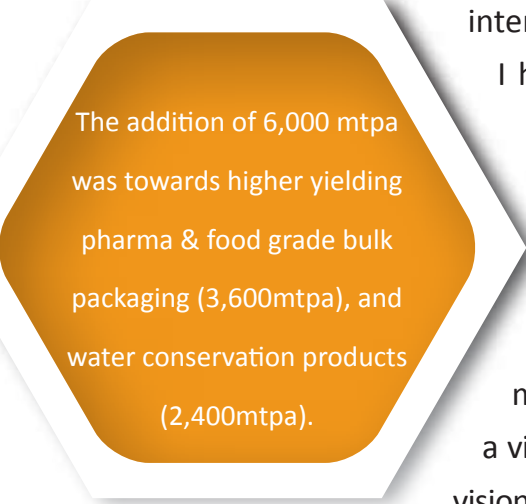
The service sector continued to show a stable growth, whilst lower prices on account of over-production in the Kharif season, coupled with erratic monsoon affected farm incomes adversely. On the industrial side, utilities showed a steady growth, and there was a smart pick-up in manufacturing activity, aided by exports in the last two quarters.



Global outlook for the Indian manufacturers in next two years remains positive.

What did we do different in the past 12 months from a Technology, Operations, Innovation, and Value Creation perspective?

I have always stressed that one cannot grow a sustainable business in today's world being either a volume or a price leader alone. Our conscious shift that began five years ago, from the competitive packaging segments towards higher margin, advance polymers and specialised products continued this year. Today the higher margin segments, contribute almost 70% of the revenues. The manufacturing processes of the new plant complies with the world's most stringent standards. On the pond lining products we have brought in robotic technology that has resulted in time saving, increased production, and minimising waste. We are perhaps one of the first in the industry, to move to Industry 4.0, using IOT and ML technology in the basic manufacturing processes, where our machines, exchange information to one another, thereby minimising human intervention, and enhance production efficiencies.



The addition of 6,000 mtpa was towards higher yielding pharma & food grade bulk packaging (3,600mtpa), and water conservation products (2,400mtpa).

I had mentioned earlier that we would be making a gradual shift towards the consumer segment, with a focus on rural India. Our investments in this has handsomely paid-off, with farmer's attesting our products and today we are making a pond every six hours, and have also ventured into another state. In the coming years, we aspire to create a system that will enable us to make "One pond every hour", and have a pan India presence. With a vision of "One pond at a time" we will be contributing to country's vision of doubling farmers income.

On the Agro-Polymers side, we have developed specialised products that would help farmers to grow their produce with physical protection instead of using conventional chemicals like weedicide, fungicides, pesticides and chemical fertilisers like urea to protect and grow the crops and enhance yields.

We just do not want to remain a supplier of ponds, and seller of crop protection items, however create a credible eco-system both for conservation of water, and healthy agrarian items.

How do we go about it?

Now that we have perfected the technological, manufacturing, and operational aspects, we wish to



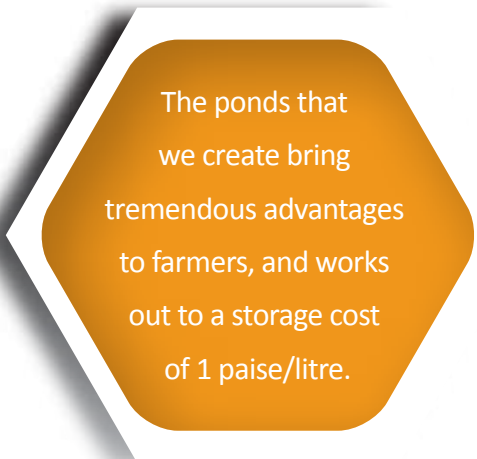
We are perhaps one of the first in the industry, to move to Industry 4.0 using IOT & ML technology in the basic manufacturing process.

build increased awareness in the farming community on the benefits of our products. Towards this we have started a dedicated initiative named 'Avana', a Strategic Business Unit which would be driving the growth in the B2C segment.

The extreme stress on water being a continual threat, and people's shift towards healthy living a reality, we feel that in the next decade, this segment may well account to one fourth of the total revenues.

Summarising the year's performance, in "Speciality Packaging", we have consolidated this business vertical and it

is working as a base manufacturing engine for improving the capacity utilisation and staff skill upgradation programs. In "Advanced Composites" we have expanded margins by higher acceptances of Value Added Products and also improved share in the production. In "Water Conservation" expanded contribution of B2C segment is adding volumes to conventional B2B distribution while in "Agro Polymers", we are able to create a concept, beginning a shift in buying pattern away from conventional pesticides and fungicides based farming to more health conscious farming techniques.



The ponds that we create bring tremendous advantages to farmers, and works out to a storage cost of 1 paise/litre.

All this has translated to an improvement in financial metrics, reflected in the double digits growth across Revenues, EBIDTA, and Net Income.

Last few years were spent on capacity addition, diversification of product range and perfection of the new products. Coming years in addition to the better growth, we would be reaping benefits through a combination of higher asset utilisation, market consolidation, resulting in improved margin performance.

The progress of the company has been possible by the collective effort of investments in R&D and capacity installation, the hard work of my colleagues working in the Company, support of our stakeholders, and the faith shown by the investors.

Warm Regards,  
Makrand Appalwar  
Chairman & Managing Director  
29<sup>th</sup> May 2018

# Your Directors



**Mr. Makrand Appalwar,**  
**Chairman & Managing Director**



Makrand Appalwar a first generation entrepreneur was instrumental in envisioning, and transforming Emmbi from a trading company, to a large-scale manufacturer. He has over two decades of experience in the polymer industry, and is the recipient of many awards. He lays great emphasis on teamwork, mentors the sales team, drives product development, and is continually seeking ways to enhance sustainability, in the ecosystem around Emmbi.

Makrand is a graduate Mechanical Engineer, from Maharashtra Institute of Technology, Pune, (India) and an alumnus of MIT Sloan School of Management, Boston (US).

**Mrs. Rinku Appalwar**  
**Director & CFO**

Rinku Appalwar, the cofounder oversees the finance, purchase, logistics, and administrative functions of the company. She is a firm believer in setting high standards and this has translated to her being felicitated as the leading lady in manufacturing for three years in a row. Rinku was instrumental in taking the company public, and ensuring it's five-fold growth in five years from the time Emmbi became a publicly traded company.

Rinku is a graduate in Chemistry from Mumbai University, and an alumnus of IIM Bangalore.

**Mr. Krishnan Subramanian**  
**Executive Director**



(Appointed as an Additional Director in the meeting of the Board of Directors of the Company held on 29th May, 2018 with Regularization in the forthcoming Annual General Meeting of the Company)

Mr. Krishnan has an experience of over 25 years in the fields of Strategic Planning, Risk Management, Private Equity and M&As. His professional career has been associated with the Banking, Information Technology, Manufacturing, and Services verticals. Mr. Krishnan is a graduate of the Birla Institute of Technology & Science (BITS), Pilani, India and a post-graduate alumnus of MIT-Sloan School of Management. He also holds an Accounting Diploma and is a certified IFRS specialist.





**Mr. Rama Krishnan**  
Independent Director



Mr. Rama Krishnan is the Founder President and Past President (1970 – 73) of the Institute of Company Secretaries of India. He is a Fellow Member, Institute of Company Secretaries of India (F.C.S.), Fellow member, Institute of Directors, London and Fellow Member, Chartered Institute for Securities & Investment, London. He is a Member, LLP Committee of the Ministry of Corporate Affairs and the Chairman, Core Group on “Draft Rules of the Companies Act 2013” notified by the Ministry of Corporate Affairs.

He was nominated by Ministry of Finance, Government of India as a Member of Corporate Governance Committee, and was nominated thrice by Government of India as a Member of the Advisory Committee on Company Law. He appeared before the Parliamentary Standing Committee on Companies Amendment Bill 2000 and the Competition Bill 2000.

**Mr. Prashant Lohiya**  
Independent Director



Prashant is a practicing Chartered Accountant, in the fields of Accounting, Auditing, Taxation, finance and management consulting. He has over 20 years of experience across various industries, and has presented papers on various accounting, and taxation topics.

As the chairman of the audit committee his experience is very valuable to the company.

He was the Secretary (2005-06) and vice Chairman (2006-07) of Akola branch of Western India Regional Council of The Institute of Chartered Accountants of India. He has presented papers and delivered lectures at various seminars, conferences and meetings on topics of interest of various branches of The Institute of Chartered Accountants of India.

**Dr. Venkatesh Joshi**  
Independent Director



Dr. Joshi is an eminent personality in the field of medicine, who has overseen more than 10,000 surgeries, as an anaesthetist. He is a faculty at the prestigious RA Poddar Medical College in addition to being a speaker at various national and international conferences. He is also an advocate of Ayurveda, and a researcher.

He has attended various medical seminars at national and international levels. He writes articles for various health magazines and he has won Rajiv Shiromani Award in the year 2013 for outstanding contribution in Ayurveda.

Dr. Joshi graduated in medicine from the Marathwada University, and later obtained an MD in Ayurveda from Mumbai University.

# Notice of the Annual General Meeting



## NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of Emmbi Industries Limited will be held on Monday, 24th September, 2018, at 10.30 a. m. at the Registered office of the Company at 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230 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 31st March, 2018, together with the Reports of the Board of Directors and the Auditors thereon;
2. To declare and approve payment of Dividend of ₹ 0.50 per Equity Share for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Mr. Makrand M. Appalwar (DIN 00171950) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To ratify appointment of Statutory Auditors of the Company:

**“RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. R. Daliya & Associates, Chartered Accountants, Mumbai (Firm Reg. No: 102060W) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company scheduled to be held in the year 2022, on such remuneration as mutually agreed between the Board of Directors of the Company and the Auditors.”

### SPECIAL BUSINESS

5. Regularization and Appointment of Mr. Rama Krishnan as an Independent Director of the Company, and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rama Krishnan (DIN: 00546256), who was appointed as an Additional Director of the Company with effect from 31st March, 2018 under section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years, commencing from 31st March, 2018 to 30th March, 2023.”

6. Regularization of Mr. Krishnan I. Subramanian as a Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, Mr. Krishnan I. Subramanian (DIN: 06614842) who was appointed as Additional Director of the Company in the Board of Directors meeting held on 29th May, 2018 and whose term expires in this Annual General meeting, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. Appointment of Mr. Krishnan I. Subramanian as a Wholetime Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Article of Association, the Company hereby approves the appointment and terms of remuneration of Mr. Krishnan I. Subramanian (DIN: 06614842) as a Whole-time Director, designated as Executive Director of the Company, for a period of 2 (two) years with effect from 29th May, 2018 on a salary of ₹ 1,25,000/- per month and upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Krishnan I. Subramanian.

**FURTHER RESOLVED THAT** where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may pay to the appointee, the above remuneration as the minimum remuneration for a period not exceeding 2 (two) years from the date of appointment or such other period as may be statutorily permitted by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any.

**FURTHER RESOLVED THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

Registered Office:

99/2/1 & 9, Madhuban Industrial Estate,  
Madhuban Dam Road, Rakholi Village,  
U.T. of Dadra & Nagar Haveli,  
Silvassa 396 230

Date: 29th May, 2018

Place: Mumbai

**By Order of the Board of Directors  
For Emmbi Industries Limited**

**Kaushal Patvi  
Company Secretary**

## NOTES

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 5 to 7 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking appointment/re-appointment as Director under Item Nos. 3, 5, 6, and 7 of the Notice, are also annexed.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution/ Power of Attorney authorising their representative to attend and vote on their behalf at the Meeting.
5. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip, duly filled and signed, mentioning therein details of their DP ID and Client ID / Folio No.
6. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during normal business hours on working days up to the date of AGM.
7. The Register of Members and Share Transfer Register of the Company will remain closed from Friday, 14th September, 2018 to Monday, 24th September, 2018 (both days inclusive) for the purpose of Annual General Meeting and dividend on equity shares, if declared at the meeting.
8.
  - a) Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of bank account details to their respective depository participants(s). We urge the members to utilize the Electronic Clearing System (ECS) for receiving dividends.
  - b) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited).
  - c) Address all correspondences, including dividend matters and change in address to the Share Transfer Agents Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited), Plot No. A-16 and 17, MIDC, Part B Cross Lane, Marol, Andheri (East), Mumbai 400 093, Tel. No. 66712151-56; Fax No. 66712011; e-mail id: investorsqry@dfssl.com.
  - d) Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited) for assistance in this regard.
  - e) In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.



- f) Quote ledger folio numbers, Client ID and DP ID in all their correspondence.
  - g) Bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
  - h) Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.
9. The dividend, if declared at the Annual General Meeting, would be paid/dispatched on or before 23rd October, 2018 to those persons or their mandates:
    - (a) whose names appear as Beneficial Owners as at the end of the business hours on 13th September, 2018 in the list of Beneficial Owners to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form; and
    - (b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agents on or before 24th September, 2018.
  10. (a) Members holding the shares in electronic mode may please note that their dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) at the available RBI locations. The dividend would be credited to their bank account as per the mandate given by the members to their DPs. In the absence of availability of NECS/ECS facility, the dividend would be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable Regulations.
  - b) Members are requested to send their Bank Account particulars (viz. Account No., Name & Branch of the Bank and the MICR Code) to their DPs in case the shares are held in electronic mode or to the Registrar and Share Transfer Agents in case the shares are held in physical mode for printing on dividend warrant to ensure that there is no fraudulent encashment of the warrants.
  11. Members wishing to claim dividends of previous years, which remain unclaimed, are requested to correspond with Mr. Kaushal Patvi, Compliance Officer and Company Secretary, at the Company's Corporate Office. Members are requested to note that Dividends not encashed or claimed within seven years from the date of transfer to the Company's unpaid dividend account, will, as per Section 124 of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.
  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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited).
  13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, etc. from the Company electronically. Members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned below quoting their folio number(s).
  14. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the copy of the Annual Report including Financial statements, Board's report etc. and this Notice are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to [info@emmbi.com](mailto:info@emmbi.com) mentioning your Folio/DP ID & Client ID. For members who have not registered their email addresses, physical copies are being sent by the permitted mode.
  15. The Annual Report 2017-18 of the Company will be made available on the website of the Company at [www.emmbi.com](http://www.emmbi.com).
  16. The route map showing directions to reach the venue of the Twenty Fourth AGM is annexed.
  17. Pursuant to provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote by electronic means, as an alternative to vote physically at the Annual General Meeting (AGM), and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
  18. The Board has appointed Mr. Sanjay Dholakia, Practising Company Secretary, Membership No. FCS 2655 & CP 1798 as the Scrutinizer to scrutinise the remote e-voting in a fair and transparent manner and to count the votes casted in favour or against the resolutions proposed from item No. 1 to 7 of the Notice as mentioned hereinabove and to comply with the provisions of Section 108 of the Companies Act, 2013. He will submit his report within 72 hours from the date of conclusion of AGM to the Chairman of the Company and the same will be uploaded on the website of the Company.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Friday, 21st September, 2018 from 9.00 am and ends on Sunday, 23rd September, 2018 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>• <b>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</b></p>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>• <b>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</b></p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

Registered Office:  
99/2/1 & 9, Madhuban Industrial Estate,  
Madhuban Dam Road, Rakholi Village,  
U.T. of Dadra & Nagar Haveli,  
Silvassa 396 230

Date: 29th May, 2018  
Place: Mumbai

**By Order of the Board of Directors  
For Emmbi Industries Limited**

**Kaushal Patvi  
Company Secretary**

**Details of Directors seeking appointment/re-appointment as required under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015**

Name of the Director	Mr. Makrand M. Appalwar	Mr. Rama Krishnan	Mr. Krishnan Subramanian
Date of Birth	21/11/1969	11/09/1935	30/11/1969
Nationality	Indian	Indian	Indian
Date of Appointment / Re-Appointment on the Board	01/04/2015	31/03/2018	29/05/2018
Qualifications	Graduate in Electronics & Telecommunications and an alumnus of MIT Sloan School of Management, Boston .	Fellow Member, Institute of Company Secretaries of India (F.C.S.), Fellow member, Institute of Directors, London and Fellow Member, Chartered Institute for Securities & Investment, London.	Graduate of the Birla Institute of Technology & Science (BITS), Pilani, & a post-graduate alumnus of MIT–Sloan School of Management. Accounting Diploma and is a certified IFRS specialist
Expertise in specific functional area	Wide experience in sales, marketing, manufacturing & production, branding and corporate affairs.	Wide experience in the field of secretarial, compliance, legal, company law, finance and project management .	Strategic Planning, Risk Management, Private Equity & M&As.
Number of shares held in the Company	38,25,150 equity shares of ₹ 10/- each.	Nil	50,000 equity shares of ₹ 10/- each.
List of the directorships held in other companies*	Nil		
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	Nil	Nil	Nil
Relationships between Directors inter-se	Husband of Mrs. Rinku M. Appalwar, Director & CFO.	Nil	Nil

\*Directorship includes Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stakeholders’ Relationship Committee of Public Limited Company (whether Listed or not).

Note: For other details such as number of meetings of the Board attended during the year, remuneration drawn please refer to the Corporate Governance Report.

In terms of Section 152(6) of the Companies Act, 2013, Mr. Makrand M. Appalwar shall retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers himself for re-appointment.

Mr. Makrand M. Appalwar as a Whole-time Director of the Company designated as “Chairman and Managing Director” for a period of five years effective from 1st April, 2015. As per the terms of his appointment, re-appointment at the AGM as a director retiring by rotation would not constitute break in his appointment as a Whole-time Director designated as Chairman and Managing Director.

Mr. Makrand M. Appalwar being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

Upon his re-appointment as a director, Mr. Makrand M. Appalwar shall continue to hold office as a Whole-time Director designated as “Chairman & Managing Director”. Accordingly, the Board recommends his re-appointment.



**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**  
**SPECIAL BUSINESS**

**Item No.5:**

The Board of Directors of the Company, pursuant to the recommendations of the Nomination and Remuneration Committee, has appointed Mr. Rama A. Krishnan (DIN No. 00546256) on 31st March, 2018, as an Additional Director (Independent and Non-Executive) on the Board of Directors of the Company, in terms of section 161 of the Companies Act, 2013 for a term of 5 (five) consecutive years commencing from 31st March, 2018 to 30th March, 2023. He holds office upto the date of this Annual General Meeting pursuant to section 161 of the Companies Act, 2013 and the Articles of Association of the Company.

The Company has received notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director of the Company.

Mr. Rama Krishnan is the Founder President and Past President for three years (1970 to 1973) of the Institute of Company Secretaries of India (ICSI). He is a Fellow Member, Institute of Company Secretaries of India (F.C.S.), Fellow member, Institute of Directors, London and Fellow Member, Chartered Institute for Securities & Investment, London. Mr. Krishnan is a Member, LLP Committee of the Ministry of Corporate Affairs. He was the Chairman, Core Group on “Draft Rules of the Companies Act 2013” notified by the Ministry of Corporate Affairs. He is a Senior Member, Corporate Affairs Committee, PHD Chamber of Commerce.

He was invited by the Government of India to espouse case for EU VAT Reciprocity on behalf of Govt. of India to Germany in April, 2000, September 2007 and 2013. He was the Member, Indian Delegation led by Minister for Commerce and Industry to USA in 2003. He was nominated by Ministry of Finance, Government of India as a Member of Corporate Governance Committee. He was further nominated thrice by Government of India as a Member of the Advisory Committee on Company Law. He Appeared before the Parliamentary Standing Committee on Companies Amendment Bill 2000 and the Competition Bill 2000. He has visited Australia and New Zealand as a Member of Indian Government Export Promotion Council. He was invited by UNCTAD to carry out of a research study on MRTTP Act of India.

Mr. Krishnan was elected as the FIRST PRESIDENT of the Institute of Company Secretaries of India in 1970, re-elected for two further consecutive terms – the longest tenure held by anyone as the President of the Institute for 3 continuous terms. He was nominated by the Ministry of Corporate Affairs as their nominee on the Council of ICSI twice for a term of three years each. Served the ICSI Council for 15 years – the longest tenure held by any individual.

Mr. Krishnan does not hold any Equity Shares in the Company. Mr. Krishnan is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act, 2013 and has given his consent to act as a Director. The Company has received a declaration from Mr. Krishnan stating that he meets with the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Copy of the draft letter of appointment of Mr. Krishnan is available for inspection at the Registered office of the Company and will also be available for inspection at the Annual General Meeting of the Company.

The Board is of the view that Mr. Krishnan’s knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends his appointment to the Members.

Save and except Mr. Krishnan, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

**Item No. 6 & 7:**

The Board of Directors contemplates significant diversification and expansion of the Companies activities in the near future. This will entail evaluation of potential projects along with assessment of the long term funding requirements. Accordingly the Directors have identified, Mr. Krishnan Subramanian who has years of experience in the field of project management and project financing. Accordingly the Directors consider it expedient and in the Company’s interest to induct Mr. Krishnan Subramanian as a Wholetime Director of the Company.

Mr. Krishnan Subramanian is appointed as an Additional Director of the Company in the Board Meeting held on 29th May, 2018 till the conclusion of ensuing Annual General meeting of the Company.

Mr. Krishnan Subramanian has an experience of over 25 years in the fields of Strategic Planning, Risk Management, Private Equity and M&As. He holds a key influencer and executive role at India’s largest privately held logistics entity, which has supra-national ownership. In addition he is an active investor in the start-up space in India, Singapore and the US. Some of the assignments he has been engaged with include fund raise in excess of \$500 million, mergers of over \$3 bn, valuation exercises of over \$1 bn. His professional career has been associated with the Banking, Information Technology, Manufacturing, and Services verticals, and given him the rich exposure of working with 60 different nationalities.

Mr. Krishnan Subramanian is a graduate of the Birla Institute of Technology & Science (BITS), Pilani, India and a post-graduate alumnus of MIT–Sloan School of Management. He also holds an Accounting Diploma and is a certified IFRS specialist.

Accordingly, consent of the members is sought for passing a special resolution for him for appointment as Director of the Company.

Save and except Mr. Krishnan Subramanian, none of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6 and 7 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 and Special Resolution set out at Item No. 7 of the Notice for approval of the Members.

# Directors' Report

## DIRECTORS' REPORT [[Disclosure Under Section 134(3) Of The Companies Act, 2013] {Read With Companies (Accounts) Rules, 2014}]

The Members,  
Emmbi Industries Limited

Your Directors have pleasure in presenting the 24th Annual Report of your Company and the Audited Accounts for the year ended 31st March, 2018. Your Company has recorded yet another year of good performance, in its operations. The highlights of the results are set out below:

### FINANCIAL RESULTS (₹ IN MILLION)

Particulars	Year ended on 31 March 2018	Year ended on 31 March 2017
Gross Sales	2789.83	2409.89
Less: GST Recovered	(207.21)	0.00
Net Sales	2582.62	2409.89
Other income	1.08	0.90
<b>Total revenue</b>	<b>2583.69</b>	<b>2410.79</b>
Expenditure	2378.55	2238.58
<b>Profit before tax</b>	<b>205.14</b>	<b>172.21</b>
Tax expenses	52.52	47.86
<b>Profit after Tax</b>	<b>152.62</b>	<b>124.35*</b>
Expenses of earlier year	0.00	0.00
Balance	152.62	124.35
<b>Balance brought forward</b>	<b>394.96</b>	<b>283.57</b>
Profit available for appropriation		
Excess provision of dividend tax credited	0.00	0.00
Add : Excess Provision of Taxes of earlier years	0.00	0.00
Less : Mat Credit Utilised in earlier years	0.00	0.00
Balance available for appropriation		
Appropriations:		
Adjustment relating to fixed assets	0.00	0.00
<b>Adjustment with other Equity</b>	<b>(4.11)</b>	<b>(2.30)</b>
Proposed Dividend / Paid	(8.85)	(8.85)
Distribution tax on Dividend	(1.80)	(1.82)
<b>Closing Balance of retained earnings</b>	<b>532.82</b>	<b>394.96</b>

\* The Net Profit is after considering IND AS impact.

### HUMAN RESOURCE DEVELOPMENT

We continue to align the skill sets and capabilities of our current workforce, and the talent available in the market with the organization's ongoing and future business plans, to maximize return on investment and secure continual success. We also emphasise this through the blue colour in the company's logo, as it reflects the loyalty and trust that we bring to our blue collared workforce.

Your Company has been successful in building a performance oriented culture with high levels of engagement and empowerment in an environment of teamwork. This is reflective of its staff right from the factory to the corporate office. We have started various self-development initiatives that includes relevant training programmes and seminars, that addresses the needs of the workforce as well as the senior management.

Our continued self-development initiatives include relevant training programmes and seminars, that addresses the needs of the workforce as well as the senior management.

### OPERATIONS

During the year under review, your Company has achieved gross Revenue from Operations and the Income aggregating to ₹ 2789.83 million as against 2409.89 million during the previous year, registering an increase of about 15.77% over the previous year. Profit after providing for taxes is ₹ 152.62 million as against ₹ 124.35 million during the previous year, registering an increase of about 22.73% over the previous year. There is no change in the nature of business of the Company.

### DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 0.50 per share of the face value of ₹ 10/- each for the year ended on 31st March, 2018 (₹ 0.50 per share for the previous year) subject to the Members' approval. The dividend payment amounts to ₹ 8.85 Million. In addition ₹ 1.82 Million is payable towards distribution tax on dividend.

### TRANSFER TO RESERVES

Out of the Total Profit After Tax of ₹ 152.62 Million for the financial year, NIL amount is proposed to be transferred to the General Reserve.

### EXPORTS

Value of Exports during the year under review were ₹ 1192.87 million as against ₹ 1080.87 million. Exports in the current financial year contributed to 42.76% in the net sales. Company has expanded its presence in 56 countries which has resulted healthy growth in the territory of operation.

We've built a performance oriented culture with high levels of engagement and empowerment



## QUALITY INITIATIVES

“Manufacturing” is at the heart of Emmbi’s activities.

In order to achieve the improvement in the manufacturing, company has adopted the concepts of **Lean manufacturing**. We are successfully practicing the same and the result can be seen in the increase of defect free production in year after year. The efforts of Lean Enterprise Management has led to higher productivity and increased profitability.

The above initiatives and our continuous adherence to strict quality standards has created tangible as well as intangible benefits to strengthen brand Emmbi.

## AUDITORS

M/s. R. Daliya & Associates, Chartered Accountants (Firm Registration No. 102060W), statutory auditors of the Company were appointed for a period of 5 years at the 23rd Annual General Meeting as statutory auditors till the conclusion of 28th Annual General Meeting subject to ratification at every Annual General Meeting. Accordingly, resolution seeking member’s approval for ratification of the appointment of M/s. R. Daliya & Associates, Chartered Accountants as Statutory Auditors forms part of the Notice convening the Annual General Meeting. They have submitted written confirmation to the Company, that their appointment is in conformity with the limits specified under Section 139 of the Companies Act, 2013.

## OBSERVATIONS – AUDITOR & SECRETARIAL AUDITOR

There are no qualifications, reservations or adverse remarks contained in the Auditors Report. However, the Secretarial Auditor has made one observation in the Secretarial Auditor Report. For secretarial audit report kindly refer Annexure 3 which forms part of the Board Report.

Following is the observation made by Secretarial Auditor in the Secretarial Audit Report:

During the period under review the Company has complied with the provisions of the Companies Act, Rules, Regulations, Guidelines and Listing Regulations as amended from time to time except the following:

Auditors Observation	Reply of Management
During the period under review, Mr. Sanjay Rath (Din: 00022432), Non-executive Independent director became disqualified under section 164(2) of the Companies Act, 2013 and has stepped down from the post of Directorship of the company w.e.f. 9 <sup>th</sup> October, 2017. Consequent to the above resignation, the constitution of Nomination and Remuneration committee falls short of One Independent Director for the period from 9 <sup>th</sup> October 2017 to 31 <sup>st</sup> March 2018.	The Company has appointed Mr. Rama Krishnan (Din: 00546256) with effect from 31 <sup>st</sup> March, 2018 and complied with the respective provision of Companies Act, 2013 and Listing regulations.

## MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

Your Directors further state that there are no material changes and commitment affecting the financial position of the Company which have occurred between the end of the Financial year of the Company to which the Financial statements relate and the date of the Report.

## DEPOSITS FROM PUBLIC

During the financial year under review, the Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from Public was outstanding as on the date of the Balance Sheet.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators / courts that would impact the going concern status of the Company and its future operations.

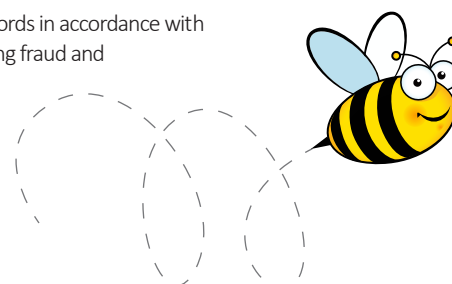
## DIRECTORS’ RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- that in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2018 and of the profit of the company for the year ended on that date;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors have prepared the annual accounts on a going concern basis;
- the directors, further state that they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively and
- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## DECLARATION BY AN INDEPENDENT DIRECTOR(S)

All the Independent Directors have provided the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub-section (6).



## BOARD MEETINGS

During the year under review, Four (4) Board Meetings were convened and held. Detailed information on the meetings of the Board and all its Committees are included in the report on Corporate Governance, which forms part of this Annual Report. The intervening gap between the meetings

## AUDIT COMMITTEE

The Board has re-constituted Audit Committee as under due to resignation of Mr. Sanjay Rath on 9th October 2017:

Mr. Prashant Lohiya, Independent Director as Chairman  
Dr. Venkatesh Joshi, Independent Director, as a member  
Mr. Rama Krishnan, Independent Director, as a member  
Mrs. Rinku Appalwar, Executive Director as a member

More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

## NOMINATION AND REMUNERATION COMMITTEE

The Board has re-constituted Nomination and Remuneration Committee as under due to resignation of Mr. Sanjay Rath on 9th October 2017:

Mr. Prashant Lohiya, Independent Director as Chairman  
Dr. Venkatesh Joshi, Independent Director as a member  
Mr. Rama Krishnan, Independent Director as a member

The Company has defined the policy on Director's appointment and payment of remuneration including criteria for determining qualifications, positive attributes, independence of a Director. The nomination & remuneration policy adopted by the Company has been posted on the Company's website [www.emmbi.com](http://www.emmbi.com).

More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board has re-constituted Stakeholders' Relationship Committee as under due to resignation of Mr. Sanjay Rath on 9th October 2017:

Mr. Prashant Lohiya, Independent Director as Chairman  
Dr. Venkatesh Joshi, Independent Director as a member  
Mr. Rama Krishnan, Independent Director as a member  
Mrs. Rinku Appalwar, Executive Director as a member.

More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has re-constituted Corporate Social Responsibility Committee as under due to resignation of Mr. Sanjay Rath on 9th October 2017:

Dr. Venkatesh Joshi, Independent Director as Chairman  
Mr. Rama Krishnan, Independent Director as a member  
Mr. Prashant Lohiya, Independent Director as a member  
Mrs. Rinku Appalwar, Executive Director as a member.

The Corporate Social Responsibility Policy is available on the Company's website [www.emmbi.com](http://www.emmbi.com). The Terms of reference of the Corporate Social Responsibility Committee, number and dates of meetings held, and attendance of the Directors are given separately in the attached Corporate Governance Report. Details of amount spent on CSR activities during the financial year 2017-18 is attached and forms part of the Board Report as **Annexure 4**.

More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

## LOANS, GUARANTEE & INVESTMENTS

The Company has not given any loan, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC. & FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:

The information as required under Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings is given below:

1. CONSERVATION OF ENERGY:
  - a. Steps are taken to institutionalized process of identifying and understanding increase and decrease in energy use by monitoring energy consumption trends to determine future energy use when planning future changes in the business and diagnose specific areas of wasted energy.
  - b. Significant reductions in energy consumption and cost of production of goods have been observed by the implementation of above referred measures.
  - c. Implementation of referred measures have resulted in increased facility reliability as well as improved equipment performance.
2. TECHNOLOGY ABSORPTION:
  - (A) Research and Development:

The Silvassa unit of the company located at 99/2/1&9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U. T. of Dadra & Nagar Haveli Silvassa 396 230 was accorded In-house R&D recognition from DSIR, Ministry of Science & Technology, Govt. of India, New Delhi.





Since Inception of the company and in pursuit of R & D endeavors the company is regularly incurring expenditure on R & D on the following activities

- Design and Development of New Products;
- Continuous improvement of existing products for enhanced durability and performance;
- Product optimization using advanced technology;
- Testing and adaptation of New Materials ;
- New processes, up gradation & production process improvement of existing processes;
- Redesigning of the manual processes in to Automation;
- Environment compliance by products and processes.

(B) Benefits:

Benefits derived as a result of R & D: It has resulted in the improvement of quality of the products and reduced operation cost. Up gradation of products to the new requirements has been possible because of R & D done in the company on a continuous basis. This has resulted into enhanced customer satisfaction, new business opportunities, reduced costs, higher quality and adapting the latest technologies.

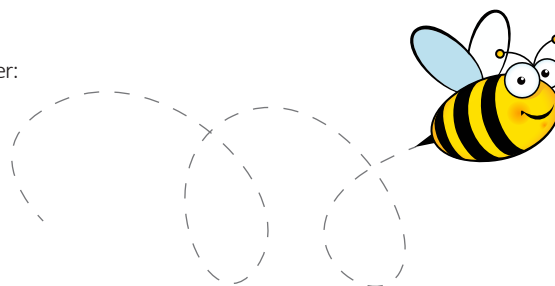
(C) Future Plan of action:

Future R&D efforts will continue along similar lines, as at present, but with more focus, thrust and endeavors.

(D) Expenditure on R&D:

The expenditure on R&D activities incurred during the year is given hereunder:

Particulars	Amount
	(₹ IN MILLION)
Capital Expenditure	50.56
Revenue Expenditure	28.01
Total R&D Expenditure	78.57
Total Turnover(net sales)	2,544.74
Total R&D Expenditure as a percentage of Total turnover	3.09%



3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has continued to maintain focus and avail of export opportunities based on economic considerations. During the year the Company has exports (FOB value) worth ₹ 1096.51 millions.

	(₹ IN MILLION)	
Particulars	2017-18	2016-17
Foreign Exchange Earnings	1096.51	1035.49
Foreign Exchange Outgo	42.91	31.47

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013, Mr. Makrand M. Appalwar (DIN 00171976), Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers himself for re-appointment.

The following are the Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013:

Sr. No.	Name of the Person	Designation
1	Mr. Makrand Appalwar	Chairman & Managing Director
2	Mrs. Rinku Appalwar	Chief Financial Officer
3	Mr. Kaushal Patvi	Company Secretary

## CHANGES IN DIRECTORS

Mr. Sanjay Rathie resigned as an Independent Director from the Board of the Company w.e.f. 9th October, 2017 and Mr. Rama Krishnan was appointed as an Independent Director on the Board of the Company w.e.f. 31st March, 2018.

## BOARD PERFORMANCE

The performance evaluation of the non- executive directors is done by the Board annually. This evaluation is based on the attendance and contribution of the member at the board/committee meetings. The process also considers core competency, expertise, personnel characteristic and specific responsibility of the concerned Director.

The performance evaluation of the Chairman & Managing Director and the Chief Financial Officer was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the entire evaluation procedure.

## PREVENTION OF SEXUAL HARASSMENT POLICY

The Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 seeks to protect women colleagues against sexual harassment at their work place. The internal committee constituted under the said act has confirmed that no complaint/case has been filed/pending with the Company during the year

## RELATED PARTY TRANSACTIONS

The Company has not entered into any contracts or arrangements with related parties referred to in Section 188(3) of the Companies Act, 2013.

## EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form No. MGT 9, as provided under sub-section (3) of Section 92 of the Companies Act, 2013, forms part of the Board's Report as **Annexure 1**.

## **RISK MANAGEMENT POLICY**

A statement including development and implementation of a risk management policy for the Company is attached and forms a part of the Board's Report as **Annexure 2**.

## **SECRETARIAL AUDIT**

As required under Section 203 of the Companies Act, 2013 Secretarial Audit Report as obtained from M/s. Sanjay Dholakia & Associates, Practising Company Secretary is attached and forms part of the Board Report as **Annexure 3**.

## **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Company has a wholly owned subsidiary in the name of Emmbi Scandinavia Aps and form AOC-1 forms a part of the Board's Report and is attached as **Annexure 5**. Due to operational reasons the Company is the process of winding up of Emmbi Scandinavia Aps and appropriate disclosures will be made by the Company as and when required.

## **MANAGERIAL REMUNERATION**

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2018 is given in a separate Annexure to this Report.

The above Annexure is not being sent along with this Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company before the 24th Annual General Meeting and upto the date of the ensuing Annual General Meeting during the business hours on working days.

The Company doesn't have any employee falling within the preview of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 hence, no such details to be provided.

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Corporate Governance Policies guide the conduct of affairs of your Company and clearly delineates the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in governance. The Code of Conduct for Senior Management and Employees of your Company ("the Code of Conduct") commits Management to financial and accounting policies, systems and processes. The Corporate Governance Policies and the Code of Conduct stand widely communicated across your Company at all times.

Your Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by Management and approved by the Audit Committee and the Board. These Accounting policies are reviewed and updated from time to time.

The systems, Standard Operating Procedures and controls are reviewed by Management. These systems and controls are audited by Internal Audit and their findings and recommendations are reviewed by the Audit Committee which ensures the implementation. Your Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. Your Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

Your Company has adopted Indian Accounting Standards ("Ind AS") for the accounting period beginning on 1st April, 2017 pursuant to Ministry of Corporate Affairs Notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015.

## **WHISTLE BLOWER POLICY**

The Company has a Whistle Blower Policy in place for vigil mechanism. The said policy has been formulated keeping in view of the amendments in the Companies Act, 2013 and Listing Regulations. The said policy may be referred to, at the Company's official website, [www.emmbi.com](http://www.emmbi.com).

## **CORPORATE GOVERNANCE**

A separate section on Corporate Governance is included in the Annual Report and the Certificate from Practicing Company Secretary on Corporate Governance as stipulated in the Listing Regulations is annexed thereto. In respect of the observation made by the auditor, the company has appointed Mr. Rama Krishnan and complied with the requisite regulation.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management discussion and analysis report has been attached to this report and forms a part of this report.

## **ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for the assistance and co-operation received from the investors, customers, dealers, distributors, vendors, suppliers, stock exchanges, banks, financial institutions, Export Promotion Councils, Trade Bodies, Regulators such as SEBI, BSE, NSE, ROC, RBI, etc, Central and State Government authorities, other Semi Government & local authorities, Administration of Union Territory of Dadra & Nagar Haveli and business associates at all levels during the year under review.

The Directors also wish to place on record their deep appreciation for the committed services and excellent work done by the employees of the Emmbi Family at all levels during the year.

Place: Mumbai  
Date: 29th May, 2018

**For and on behalf of the Board of Directors**  
**Makrand Appalwar**  
**Chairman & Managing Director**  
**DIN: 00171950**

# Annexures to Directors' Report



## ANNEXURE 1 TO THE DIRECTOR'S REPORT

### FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.

#### I REGISTRATION & OTHER DETAILS

i	CIN	L17120DN1994PLC000387
ii	Registration Date	November 29, 1994
iii	Name of the Company	Emmbi Industries Limited
iv	Category/Sub-category of the Company	Company limited by shares Indian Non-Government Company
v	Address of the Registered office & contact details	99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U. T. of Dadra & Nagar Haveli, Silvassa 396 230, India, Tel. No.: +91 (0260) 320 0948
vi	Whether listed company	Yes, Listed on BSE Limited & National Stock Exchange of India Limited (NSE)
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any	Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited) Plot No. B-5, Part B Crosslane, MIDC, Marol, Andheri (East), Mumbai 400 093. Tel: 022 - 66712151-56. Fax: 022 - 66712161. Email: investorsqry@dfssl.com

#### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacture of plastics products	222	90%
2	Trading of plastics products	479	10%

#### III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SL No	Name & Address	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Gloal Bag s.r.o Oblekovic 355, 671 81 ZNOJMO, Czech Republic	NA	Associate	25.00	2(6)
2	Emmbi Scandinavia ApS Kongensgade 103 7000 Fredericia	NA	Subsidiary	100.00	2(87)(ii)

#### IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

##### (i) CATEGORY-WISE SHAREHOLDING

CATEGORY OF SHAREHOLDERS		NO OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
(I)	(II)	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	(XI)
(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)			
A	PROMOTER AND PROMOTER GROUP									
(1)	Indian									
a)	Individual/HUF	74,96,521	-	74,96,521	42.38	74,97,721	-	74,97,721	42.39	0.01
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	27,24,300	-	27,24,300	15.40	27,24,300	-	27,24,300	15.40	0.00
e)	Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
f)	Any other	-	-	-	-	-	-	-	-	-
	SUB TOTAL (A) (1)	1,02,20,821	-	1,02,20,821	57.78	1,02,22,021	-	1,02,22,021	57.79	0.01

CATEGORY OF SHAREHOLDERS		NO OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	Foreign									
	a) NRI- Individuals	-	-	-	-	-	-	-	-	-
	b) Other Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corporate	-	-	-	-	-	-	-	-	-
	d) Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
	e) Any Other	-	-	-	-	-	-	-	-	-
	SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group										
(A)= (A)(1)+(A)(2)		1,02,20,821	-	1,02,20,821	57.78	1,02,22,021	-	1,02,22,021	57.79	0.01
B. PUBLIC SHAREHOLDING										
(1)	Institutions									
	a) Mutual Funds	-	-	-	-	-	-	-	-	-
	b) Bank/Financial Institutions	19,230	-	19,230	0.11	12,177	-	12,177	0.07	(0.04)
	c) Central Government	-	-	-	-	-	-	-	-	-
	d) State Government(s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) Foreign Institutional Investors/ Foreign Portfolio Investors	2,53,398	-	2,53,398	1.43	12,71,058	-	12,71,058	7.19	5.76
	h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i) Any Other	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)(1)	2,72,628	-	2,72,628	1.54	12,83,235	-	12,83,235	7.25	5.72
(2)	Non Institutions									
	a) Bodies Corporate	-	-	-	-	-	-	-	-	-
	i) Indian	11,87,063	-	11,87,063	6.71	8,54,578	-	8,54,578	4.83	(1.88)
	ii) Overseas	-	-	-	-	875	-	875	0.00	0.00
	b) Individuals									
	b(i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	46,42,643	10	46,42,653	26.24	39,85,517	10	39,85,527	22.53	(3.71)
	b(ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	9,74,060	-	9,74,060	5.51	10,64,838	-	10,64,838	6.02	0.51
	c) Any Other									
	i) NRI Rep	1,68,542	-	1,68,542	0.95	98,395	-	98,395	0.56	(0.39)
	ii) NRI Non-Rep	1,82,079	-	1,82,079	1.03	1,58,171	-	1,58,171	0.89	(0.14)
	iii) Trusts	8,900	-	8,900	0.05	6,436	-	6,436	0.04	(0.01)
	iv) Clearing Member	33,504	-	33,504	0.19	16,174	-	16,174	0.09	(0.10)
	SUB TOTAL (B)(2)	71,96,791	10	71,96,801	40.68	61,84,984	10	61,84,994	34.96	(5.72)
Total Public Shareholding (B)= (B)(1)+(B)(2)		74,69,419	10	74,69,429	42.22	74,68,219	10	74,68,229	42.21	(0.01)
Total (A+B)		1,76,90,240	10	1,76,90,250	100.00	1,76,90,240	10	1,76,90,250	100.00	0.00
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS										
		-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		1,76,90,240	10	1,76,90,250	100.00	1,76,90,240	10	1,76,90,250	100.00	0.00

## (ii) SHARE HOLDING OF PROMOTERS

SL NO	SHAREHOLDER'S NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR			SHAREHOLDING AT THE END OF THE YEAR			% CHANGE IN SHAREHOLDING DURING THE YEAR
		No. Of Shares	% of total of the company	% of shares pledged encumbered to total shares	No. Of Shares	% of total of the company	% of shares pledged encumbered to total shares	
1	Mr. Makrand M. Appalwar	38,24,850	21.62	-	38,25,150	21.62	-	0.00
2	Mrs. Rinku M. Appalwar	22,96,460	12.98	-	22,97,360	12.99	-	0.01
3	Miss Maithili M. Appalwar	10,65,250	6.02	-	10,65,250	6.02	-	0.00
4	Emmbi Laboratories Pvt. Ltd.	16,63,100	9.40	-	16,63,100	9.40	-	0.00
5	Maithili Agrotech Pvt. Ltd.	10,61,200	6.00	-	10,61,200	6.00	-	0.00
6	Mrs. Mitravinda M. Appalwar	2,38,311	1.35	-	2,38,311	1.35	-	-
7	Mr. Avinash R. Laddha	53,950	0.30	-	53,950	0.30	-	0.00
8	Mr. Prashant K. Lohiya	6,250	0.04	-	6,250	0.04	-	0.00
9	Mr. Kailashchandra B. Lohiya	4,550	0.03	-	4,550	0.03	-	-
10	Mrs. Sarla K. Lohiya	3,000	0.02	-	3,000	0.02	-	-
11	Mr. Sanjay R Rathni	2,100	0.01	-	2,100	0.01	-	-
12	Mrs. Sangeeta S Rathni	1,050	0.01	-	1,050	0.01	-	-
13	Mrs. Sushiladevi R Rathni	750	0.00	-	750	0.00	-	-
Total		10,22,0821	57.78	-	10,22,2021	57.79	-	0.01



(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/17 TO 31/03/18)	
		No. of shares at the beginning of the yr (01/04/17)/ end of the yr (31/03/18)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
1	Mr. Makrand M. Appalwar	38,24,850	21.62	01.04.17				
				09.06.17	300	Buy	38,25,150	21.62
		38,25,150	21.62	31.03.18			38,25,150	21.62
2	Mrs. Rinku M. Appalwar	22,96,460	12.98	01.04.17				
				27.10.17	900	Buy	22,97,360	12.99
		22,97,360	12.99	31.03.18			22,97,360	12.99

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/17 TO 31/03/18)	
		No. of shares at the beginning of the yr (01/04/17)/ end of the yr (31/03/18)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
1	Hidden Champions Fund	1,80,129	1.02	01.04.17				
				07.04.17	8,461	Buy	1,88,590	1.07
				14.04.17	16,358	Buy	2,04,948	1.16
				21.04.17	20,892	Buy	2,25,840	1.28
				28.04.17	15,314	Buy	2,41,154	1.36
				05.05.17	16,434	Buy	2,57,588	1.46
				12.05.17	26,802	Buy	2,84,390	1.61
				19.05.17	31,260	Buy	3,15,650	1.78
				26.05.17	1,34,360	Buy	4,50,010	2.54
				02.06.17	98,615	Buy	5,48,625	3.10
				09.06.17	9,385	Buy	5,58,010	3.15
				16.06.17	42,000	Buy	6,00,010	3.39
				23.06.17	85,000	Buy	6,85,010	3.87
				30.06.17	14,680	Buy	6,99,690	3.96
				07.07.17	15,310	Buy	7,15,000	4.04
				14.07.17	20,000	Buy	7,35,000	4.16
				21.07.17	5,971	Buy	7,40,971	4.19
				28.07.17	58,098	Buy	7,99,069	4.52
				04.08.17	59,931	Buy	8,59,000	4.86
				11.08.17	35,735	Buy	8,94,735	5.06
				18.08.17	64,275	Buy	9,59,010	5.42
				25.08.17	1,00,136	Buy	10,59,146	5.99
				01.09.17	68,864	Buy	11,28,010	6.38
				08.09.17	14,000	Buy	11,42,010	6.46
				15.09.17	18,000	Buy	11,60,010	6.56
				22.09.17	15,048	Buy	11,75,058	6.64
				29.09.17	7,952	Buy	11,83,010	6.69
				06.10.17	13,948	Buy	11,96,958	6.77
				20.10.17	3,100	Buy	12,00,058	6.78
				27.10.17	5,067	Buy	12,05,125	6.81
				31.10.17	1,000	Buy	12,06,125	6.82
				03.11.17	2,933	Buy	12,09,058	6.84
				17.11.17	3,000	Buy	12,12,058	6.85
				24.11.17	19,000	Buy	12,31,058	6.96
				01.12.17	7,210	Buy	12,38,268	7.00
				08.12.17	9,790	Buy	12,48,058	7.06
				15.12.17	8,000	Buy	12,56,058	7.10
				22.12.17	11,000	Buy	12,67,058	7.16
				19.01.18	1,000	Buy	12,68,058	7.17
				26.01.18	3,000	Buy	12,71,058	7.19
		12,71,058	7.19	31.03.18			12,71,058	7.19

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/17 TO 31/03/18)	
		No. of shares at the beginning of the yr (01/04/17)/ end of the yr (31/03/18)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
2	Aakash Filaments Pvt. Ltd.	1,80,950	1.02	01.04.17				
						Nil movement during the year		
		1,80,950	1.02	31.03.18	-		1,80,950	1.02
3	S. SHYAM *	-	0.00	01.04.17	-			
				22.12.17	2,617	Buy	2,617	0.02
				29.12.17	42,304	Buy	44,921	0.25
				05.01.18	20,689	Buy	65,610	0.37
				12.01.18	9,777	Buy	75,387	0.43
				19.01.18	47,535	Buy	1,22,922	0.70
				26.01.18	41,882	Buy	1,64,804	0.93
				02.02.18	196	Buy	1,65,000	0.93
				02.03.18	500	Buy	1,65,500	0.94
				09.03.18	500	Buy	1,66,000	0.94
		1,66,000	0.94	31.03.18	-		1,66,000	0.94
4	ITHOUGHTWEALTH ANALYTICS LLP *	-	0.00	01.04.17				
				19.01.18	1,737	Buy	1,737	0.01
				26.01.18	8,745	Buy	10,482	0.06
				02.02.18	14,476	Transfer	24,958	0.14
				09.02.18	18,506	Buy	43,464	0.25
				16.02.18	1,249	Buy	44,713	0.25
				23.02.18	3,741	Buy	48,454	0.27
				02.03.18	730	Buy	49,184	0.28
				09.03.18	21,479	Transfer	70,663	0.40
				23.03.18	33,119	Transfer	1,03,782	0.59
				30.03.18	14,970	Transfer	1,18,752	0.67
		1,18,752	0.67	31.03.18			1,18,752	0.67
5	ANDREY S PURUSHOTTAM	1,14,756	0.65	01.04.17				
						Nil movement during the year		
		1,14,756	0.65	31.03.18			1,14,756	0.65
6	VINAY GOPINATH PAI	1,08,000	0.61	01.04.17				
						Nil movement during the year		
		1,08,000	0.61	31.03.18			1,08,000	0.61



### Emmbi Hedge & Planters

Made from PE laminated (2 Side) woven fabric.

High UV resistance with long shelf life.

Drainage holes for strong root growth.

Cost effective solution against rigid plastic containers.

100% eco friendly.



SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/17 TO 31/03/18)	
		No. of shares at the beginning of the yr (01/04/17)/ end of the yr (31/03/18)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
7	J M Global Equities Pvt.Ltd. #	1,42,616	0.81	01.04.17				
				07.04.17	(2,525)	Transfer	1,40,091	0.79
				14.04.17	(1,873)	Transfer	1,38,218	0.78
				21.04.17	(31,734)	Transfer	1,06,484	0.60
				28.04.17	(2,100)	Transfer	1,04,384	0.59
				26.05.17	1,350	Buy	1,05,734	0.60
				02.06.17	10	Buy	1,05,744	0.60
				09.06.17	(10)	Transfer	1,05,734	0.60
				16.06.17	(413)	Transfer	1,05,321	0.60
				23.06.17	10	Buy	1,05,331	0.60
				07.07.17	(588)	Transfer	1,04,743	0.59
				14.07.17	(10)	Transfer	1,04,733	0.59
				21.07.17	11,430	Buy	1,16,163	0.66
				28.07.17	1,085	Buy	1,17,248	0.66
				04.08.17	(131)	Transfer	1,17,117	0.66
				11.08.17	(5,444)	Transfer	1,11,673	0.63
				18.08.17	2,319	Buy	1,13,992	0.64
				25.08.17	(1,600)	Transfer	1,12,392	0.64
				01.09.17	(3,438)	Transfer	1,08,954	0.62
				08.09.17	(350)	Transfer	1,08,604	0.61
				22.09.17	(3,490)	Transfer	1,05,114	0.59
				29.09.17	2,784	Buy	1,07,898	0.61
				06.10.17	(500)	Transfer	1,07,398	0.61
				13.10.17	6,662	Buy	1,14,060	0.65
				20.10.17	(6,062)	Transfer	1,07,998	0.61
				27.10.17	(1)	Transfer	1,07,997	0.61
				31.10.17	(501)	Transfer	1,07,496	0.61
				03.11.17	(81)	Transfer	1,07,415	0.61
				10.11.17	1,476	Buy	1,08,891	0.62
				17.11.17	(2,888)	Transfer	1,06,003	0.60
				15.12.17	120	Buy	1,06,123	0.60
				22.12.17	(2,120)	Transfer	1,04,003	0.59
				29.12.17	(1,936)	Transfer	1,02,067	0.58
				12.01.18	(2,000)	Transfer	1,00,067	0.57
				02.02.18	2,122	Buy	1,02,189	0.58
				09.02.18	(1,000)	Transfer	1,01,189	0.57
				16.02.18	400	Buy	1,01,589	0.57
				23.02.18	(319)	Transfer	1,01,270	0.57
				16.03.18	908	Buy	1,02,178	0.58
				23.03.18	1,581	Buy	1,03,759	0.59
		1,03,759	0.59	31.03.18	-		1,03,759	0.59
8	GOPINATH MOHANTI	1,115	0.01	01.04.17				
				26.05.17	(1,115)	Transfer	-	0.00
				11.08.17	51,115	Buy	51,115	0.29
				22.09.17	50,000	Buy	1,01,115	0.57
		1,01,115	0.57	31.03.18			1,01,115	0.57
9	MRUNALINI RAJESH PANDIT	99,575	0.56	01.04.17				
				Nil movement during the year				
		99,575	0.56	31.03.18			99,575	0.56
10	Ashok Maganlal Shah	97,925	0.55	01.04.17				
				07.04.17	(93)	Transfer	97,832	0.55
				05.05.17	(168)	Transfer	97,664	0.55
				30.06.17	(14)	Transfer	97,650	0.55
				25.08.17	(274)	Transfer	97,376	0.55
		97,376	0.55	31.03.18			97,376	0.55

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/17 TO 31/03/18)	
		No. of shares at the beginning of the yr (01/04/17)/ end of the yr (31/03/18)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
11	SANJAY GULABCHAND BAFNA	1,15,842	0.66	01.04.17				
				28.04.17	(57,921)	Transfer	57,921	0.33
				05.05.17	(500)	Transfer	57,421	0.33
				19.05.17	(100)	Transfer	57,321	0.32
				02.06.17	(1)	Transfer	57,320	0.32
				23.06.17	(100)	Transfer	57,220	0.32
				30.06.17	(100)	Transfer	57,120	0.32
				25.08.17	(120)	Transfer	57,000	0.32
				20.10.17	(250)	Transfer	56,750	0.32
				03.11.17	(100)	Transfer	56,650	0.32
				10.11.17	(250)	Transfer	56,400	0.32
				17.11.17	(500)	Transfer	55,900	0.32
				01.12.17	(1,100)	Transfer	54,800	0.31
				15.12.17	(250)	Transfer	54,550	0.31
				29.12.17	(800)	Transfer	53,750	0.30
				12.01.18	(850)	Transfer	52,900	0.30
				19.01.18	(253)	Transfer	52,647	0.30
				26.01.18	(397)	Transfer	52,250	0.30
				02.02.18	(73)	Transfer	52,177	0.30
				16.02.18	(400)	Transfer	51,777	0.29
				23.03.18	(121)	Transfer	51,656	0.29
		51,656	0.29	31.03.18	-		51,656	0.29
12	UNIFI Financial Pvt.Ltd. #	1,77,100	1.00	01.04.17				
				11.08.17	(56,450)	Transfer	1,20,650	0.68
				18.08.17	(79,336)	Transfer	41,314	0.23
				25.08.17	(30,727)	Transfer	10,587	0.06
				06.10.17	(10,587)	Transfer	-	0.00
		-	0.00	31.03.18	-		-	0.00
13	Sharekhan Limited #	1,17,587	0.67	01.04.17				
				07.04.17	(1,264)	Transfer	1,16,323	0.66
				14.04.17	1,960	Buy	1,18,283	0.67
				21.04.17	2,210	Buy	1,20,493	0.68
				28.04.17	(7,693)	Transfer	1,12,800	0.64
				05.05.17	(5,411)	Transfer	1,07,389	0.61
				12.05.17	3,582	Buy	1,10,971	0.63
				19.05.17	9,797	Buy	1,20,768	0.68
				26.05.17	(11,124)	Transfer	1,09,644	0.62
				02.06.17	2,464	Buy	1,12,108	0.63
				09.06.17	1,684	Buy	1,13,792	0.64
				16.06.17	(1,205)	Transfer	1,12,587	0.64
				23.06.17	(4,342)	Transfer	1,08,245	0.61
				30.06.17	(759)	Transfer	1,07,486	0.61
				07.07.17	3,592	Buy	1,11,078	0.63
				14.07.17	2,107	Buy	1,13,185	0.64
				21.07.17	3,071	Buy	1,16,256	0.66
				28.07.17	(13)	Transfer	1,16,243	0.66
				04.08.17	(1,333)	Transfer	1,14,910	0.65
				11.08.17	(49,047)	Transfer	65,863	0.37
				18.08.17	57	Buy	65,920	0.37
				25.08.17	(2,638)	Transfer	63,282	0.36
				01.09.17	450	Buy	63,732	0.36
				08.09.17	(810)	Transfer	62,922	0.36
				15.09.17	1,005	Buy	63,927	0.36
				22.09.17	(50,136)	Transfer	13,791	0.08
				29.09.17	(3,619)	Transfer	10,172	0.06
				06.10.17	2,679	Buy	12,851	0.07
				13.10.17	(4,140)	Transfer	8,711	0.05
				20.10.17	1,155	Buy	9,866	0.06
				27.10.17	(1,406)	Transfer	8,460	0.05
				31.10.17	(312)	Transfer	8,148	0.05
				03.11.17	625	Buy	8,773	0.05
				10.11.17	1,102	Buy	9,875	0.06
				17.11.17	(3,601)	Transfer	6,274	0.04
				24.11.17	(664)	Transfer	5,610	0.03
				01.12.17	1,112	Buy	6,722	0.04
				08.12.17	(722)	Transfer	6,000	0.03
				15.12.17	(306)	Transfer	5,694	0.03
				22.12.17	616	Buy	6,310	0.04
				29.12.17	1,373	Buy	7,683	0.04
				05.01.18	(2,199)	Transfer	5,484	0.03



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		No. of shares at the beginning of the yr (01/04/17)/ end of the yr (31/03/18)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
13	Sharekhan Limited #	1,17,587	0.67	12.01.18	114	Buy	5,598	0.03
				19.01.18	1,240	Buy	6,838	0.04
				26.01.18	(1,195)	Transfer	5,643	0.03
				02.02.18	1,856	Buy	7,499	0.04
				09.02.18	(1,273)	Transfer	6,226	0.04
				16.02.18	(671)	Transfer	5,555	0.03
				23.02.18	489	Buy	6,044	0.03
				02.03.18	(920)	Transfer	5,124	0.03
				09.03.18	727	Buy	5,851	0.03
				16.03.18	192	Buy	6,043	0.03
				23.03.18	(385)	Transfer	5,658	0.03
				30.03.18	(462)	Transfer	5,196	0.03
		5,196	0.03	31.03.18	-		5,196	0.03
14	VISHANJI SHAMJI DEDHIA #	1,60,000	0.90	01.04.17				
				14.04.17	(7,487)	Transfer	1,52,513	0.86
				21.04.17	(12,513)	Transfer	1,40,000	0.79
				28.04.17	(17,010)	Transfer	1,22,990	0.70
				05.05.17	(2,990)	Transfer	1,20,000	0.68
				12.05.17	(10,000)	Transfer	1,10,000	0.62
				26.05.17	(10,000)	Transfer	1,00,000	0.57
				01.09.17	(10,000)	Transfer	90,000	0.51
				08.09.17	(7,844)	Transfer	82,156	0.46
				15.09.17	(2,156)	Transfer	80,000	0.45
				22.09.17	(10,000)	Transfer	70,000	0.40
				13.10.17	(5,000)	Transfer	65,000	0.37
				05.01.18	(10,000)	Transfer	55,000	0.31
				12.01.18	(30,000)	Transfer	25,000	0.14
				16.02.18	(5,019)	Transfer	19,981	0.11
		19,981	0.11	31.03.18	-		19,981	0.11

\*Not in the list of Top 10 shareholders as on 01-04-2017. The same has been reflected above since the shareholder is one of the Top 10 shareholders as on 31-03-2018.

# Ceased to be in the list of Top 10 shareholders as on 31-03-2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2017.

#### (v) Shareholding of Directors & KMP

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/17 TO 31/03/18)	
		No. of shares at the beginning of the yr (01/04/17)/ end of the yr (31/03/18)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
<b>A. DIRECTORS</b>								
1	Mr. Makrand M. Appalwar Chairman & Managing Director	38,24,850	21.62	01.04.17				
				09.06.17	300	Buy	38,25,150	21.62
		38,25,150	21.62	31.03.18			38,25,150	21.62
2	Mrs. Rinku M. Appalwar Executive Director & CFO	22,96,460	12.98	01.04.17				
				27.10.17	900	Buy	22,97,360	12.99
		22,97,360	12.99	31.03.18			22,97,360	12.99
3	Mr. Prashant K. Lohiya Non-Executive Director	6,250	0.04	01.04.17	0	Nil movement		
		6,250	0.04	31.03.18	0	during the year	6,250	0.04
4	Dr. Venkatesh G. Joshi Non-Executive Director	0	0.00	01.04.17	0	Nil movement		
		0	0.00	31.03.18	0	during the year	0	0.00
5	Mr. Rama A. Krishnan Non-Executive Director	0	0.00	01.04.17	0	Nil movement		
		0	0.00	31.03.18	0	during the year	0	0.00

(v) Shareholding of Directors & KMP

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/17 TO 31/03/18)	
		No. of shares at the beginning of the yr (01/04/17)/ end of the yr (31/03/18)	% of total shares of the Company	No. of shares	Reason		No. of shares	% of total shares of the Company
<b>B KEY MANAGERIAL PERSONNEL (KMP'S)</b>								
1	Mr. Makrand M. Appalwar	38,24,850	21.62	01.04.17				
	Chairman & Managing Director			09.06.17	300	Buy	38,25,150	21.62
		38,25,150	21.62	31.03.18			38,25,150	21.62
2	Mrs. Rinku M. Appalwar	22,96,460	12.98	01.04.17				
	Executive Director & CFO			27.10.17	900	Buy	22,97,360	12.99
		22,97,360	12.99	31.03.18			22,97,360	12.99
3	Mr. Kaushal Patvi	0	0.00	01.04.17	0	Nil movement		
	(Company Secretary & Compliance Officer)	0	0.00	31.03.18	0	during the year	0	0.00

V INDEBTEDNESS

(₹ IN MILLION)

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

	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the financial year			
i) Principal Amount	712.70	72.20	784.89
ii) Interest due but not paid	0.52	-	0.52
iii) Interest accrued but not due	-	-	-
<b>Total (i+ii+iii)</b>	<b>713.22</b>	<b>72.20</b>	<b>785.41</b>
Change in Indebtedness during the financial year			
Additions	9,604.22	-	9,604.22
Reduction	9,349.29	72.20	9,421.49
Net Change	254.92	(72.20)	182.73
Indebtedness at the end of the financial year			
i) Principal Amount	968.14	-	968.14
ii) Interest due but not paid	31.00	-	31.00
iii) Interest accrued but not due	-	-	-
<b>Total (i+ii+iii)</b>	<b>999.14</b>	<b>-</b>	<b>999.14</b>

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

SI No.	PARTICULARS OF REMUNERATION	NAME OF THE MD/WTD/DIRECTOR		TOTAL AMOUNT
		Makrand. M. Appalwar	Rinku. M. Appalwar	
1	Gross salary	(In ₹)	(In ₹)	(In ₹)
(a)	Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	78,00,000	72,00,000	1,50,00,000
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961	39,600	39,600	79,200
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
Total (A)		78,39,600	72,39,600	1,50,79,200

**B. Remuneration to other directors:**

Sl No.	PARTICULARS OF REMUNERATION	NAME OF THE DIRECTORS			TOTAL AMOUNT (In ₹)
		Sanjay R. Rathi (In ₹)	Prashant K. Lohiya (In ₹)	Venkatesh G. Joshi (In ₹)	
1	Independent Directors				
(a)	Fee for attending board/committee meetings	25,000	50,000	50,000	1,50,000
(b)	Commission	—	—	—	—
(c)	Others, please specify	—	—	—	—
	Total (1)	25,000	50,000	50,000	1,50,000
2	Other Non Executive Directors				
(a)	Fee for attending board/committee meetings	—	—	—	—
(b)	Commission	—	—	—	—
(c)	Others, please specify.	—	—	—	—
	Total (2)	—	—	—	—
	Total (B)=(1+2)	25,000	50,000	50,000	1,50,000

**C. Remuneration to key managerial personnel other than MD/Manager/WTD**

Sl No.	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL			TOTAL AMOUNT (In ₹)
		Managing Director (Makrand M Appalwar) (In ₹)	Chief Financial Offr (Rinku M Appalwar) (In ₹)	Company Secretary (Kaushal Patvi) (In ₹)	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	78,00,000	72,00,000	11,76,005	1,61,76,005
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961	39,600	39,600	-	79,200
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	78,39,600	72,39,600	11,76,005	1,62,55,205

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY/ PUNISHMENT COMPOUNDING FEES IMPOSED	AUTHORITY (RD/NCLT/COURT)	APPEAL MADE IF ANY (GIVE DETAILS)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

# Annexures to Directors' Report



## ANNEXURE 2 TO THE DIRECTOR'S REPORT

### Business Risk

Unforeseen factors, be it related to industry, regulations, and/or the economy could affect business in an adverse manner, that could lead to impairment to income and capital. Also in a capital-intensive industry, any downward swings in revenues could be detrimental to earnings.

Emmbi is not in an industry that is overtly exposed to governmental regulations, and the fact that we have been profitable since inception and is a regular dividend payer mitigates the business risk to a large extent. We are outsourcing some non-core activities that would further improve the distribution of fixed costs. We consciously ensure that our production is not concentrated on one unit and is spread across all locations to mitigate any eventuality. We also maintain cordial and healthy relationship with workers, Local State and Central Government and various other stake holders ensuring their safety and wellbeing.

### Financial Risk

Emmbi's capital structure is very conservative, and it's cash flows adequate to meet obligations when due. Also the fair value of assets, far exceed the book value providing additional buffer in the event of a remote outlier. We are also rated investment grade with a positive outlook on our debt, and are confident that in the next few years this would only improve given the growth in our business. In addition we do not rely on one lender, and have multiple banks, and are constantly engaging with newer banks, in order to improve the financial efficiency of the company.

### Liquidity Risk

We maintain adequate cash at all times. Contrary to peers, we do majority purchases on an advance payment basis which helps us to get better buying power. Though we have ample liquidity, and do not lock up our operating cash flow in non-core or unproductive assets. Inventories and debtors are managed prudently, and impairments negligible. We have this year maintained our dividend payout which also cements that Emmbi is a very liquid company.

### Single Product Risk

Emmbi's product line is well diversified with over 40 products, in four diverse verticals, and no single client contributes to more than 5% of total revenues. We have strategically reduced our dependence on low margin products.

### Single Geography Risk

Emmbi exports to over 56 countries, and are not exposed to a single market or its vagaries. In the years to come we should be expanding the reach to more countries, and clients with establishment of our own offices.

### Foreign Exchange Risk

Emmbi has a documented internal policy to hedge all its export revenues, and it has limited exposure to foreign currency borrowings. The company also does not trade, or speculate in the foreign currency market or make any opportunistic positions.

### Enterprise Wide Risk

We are compliant with international best practices, as can be noted from the continual certifications, and the periodic audits. The Management at Emmbi does not view risks in silos, however analyses, how it can impact the whole organisation. We have a very efficient ERP system that would also have a module for managing uncertainties. We have also got accredited as a certified R&D House by the Government of India, who have also commended us on our risk management practices.



#### STATIC Electricity & FIRE Safe Products

*Safe packaging for all.*

*Specially Designed Conductive  
"Carbon Graphite Yarn" for 100%  
recyclable in single process.*

*Flame retardant products for added  
human safety.*

## **ANNEXURE 3 TO THE DIRECTOR'S REPORT**

**Form No. MR-3**

### **SECRETARIAL AUDIT REPORT**

#### **FOR THE FINANCIAL YEAR ENDED 31st March 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Emmbi Industries Limited  
Silvassa

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by EMMBI INDUSTRIES LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the EMMBI INDUSTRIES LIMITED 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 31st March 2018 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 on 31st March 2018 according to the provisions of:

- (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, 2009; There were no further issue of securities during the year under review.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; There were no ESOPS issued during the year under review
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; there were no debts raised during the year under review.
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There were no proposals for delisting of its Equity shares during the year under review; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There were no Buy Back of its Equity shares during the year under review
- (vi) As per Management representation letter following are laws applicable to Company:
  - (a) Applicable state and local municipal laws;
  - (b) Applicable state and local labour laws;
  - (c) Applicable Intellectual Property laws;

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective July 1, 2015;



- (ii) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 made effective from 1st December 2015 along with the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above except the following:

1. During the period under review, Mr. Sanjay Rath (Din: 00022432), Non-executive Independent director became disqualified under section 164(2) of the Companies Act, 2013 and has stepped down from the post of Directorship of the company w.e.f. 9th October 2017.
2. Consequent to the above resignation, the constitution of Nomination and Remuneration committee falls short of One Independent Director for the period from 9th October 2017 to 31st March 2018.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

I further report that 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.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

**For SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**  
**Membership No. 2655 /CP No. 1798**

Date: 29th May 2018

Place: Mumbai

**Annexure A**

To,  
The Members,  
Emmbi Industries Limited  
Silvassa

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have reported, in my audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in my opinion, are material and having major bearing on financials of the Company.

**For SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**  
**Membership No. 2655 /CP No. 1798**

Date: 29th May 2018

Place: Mumbai

**ANNEXURE 4 TO THE DIRECTOR'S REPORT**
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to clause (o) of sub-section (3) of section 134 of The Companies Act, 2013 and Rule 9 of The Companies (Corporate Social Responsibility) Rules, 2014]

- |   |  |   |
|---|--|---|
| 1 | A brief outline of the Company's CSR Policy, including overview of Projects or Programs proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or Programs.                            | The Company has framed a CSR Policy in compliance with the Provisions of Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is <a href="http://www.wovensackindia.com/CorporateSocialResponsibilityPolicy.aspx?InvestorID=29">http://www.wovensackindia.com/CorporateSocialResponsibilityPolicy.aspx?InvestorID=29</a> |
| 2 | The Composition of the CSR Committee   | Dr. Venkatesh Joshi<br>Mr. Prashant Lohiya<br>Mr. Rama Krishnan (Appointed w.e.f. from 31st March, 2018)<br>Mrs. Rinku Appalwar   |
| 3 | Average Net Profit of the Company for last three financial years: Average Net Profit   | ₹ 13,25,72,913*   |
| 4 | Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)   | ₹ 26,51,460   |
| 5 | Details of CSR spent during the financial year:<br>a) Total amount to be spent for the financial year;<br>b) Amount unspent, if any;<br>c) Manner in which the amount spent during the financial year is detailed below: | The Company has spent ₹ 14,49,194<br>₹ 12,02,266<br><br>Details given below   |

(Amount In ₹)

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs: 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) Project or programs wise	(6) Amount spent on the projects or programs Sub-heads 1) Direct expenditure on projects or programs 2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency
1	Promoting Education	Promoting Education	Silvassa	25,000	23,100	23,100	Implementing Agency: Emmbi Foundation*
2	Health Outreach Programme Medical Units and camps for primary and preventive healthcare including diagnostics	Promoting health care including preventive health care	Maharashtra	1,50,000	1,00,000	1,00,000	
3	Health Programme- Providing Medicinal Supplements	Promoting health care including preventive health care	Maharashtra	70,000	63,000	63,000	
4	Promoting Sustainable Well-being and wellness	Organizing workshops for bringing together people to achieve a common vision for sustainable well being and wellness	Maharashtra	5,00,000	4,87,922	4,87,922	

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs: 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) Project or programs wise	(6) Amount spent on the projects or programs Sub-heads 1) Direct expenditure on projects or programs 2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency
5	Health Programme Providing treatment for Cancer Patients	Promoting health care including preventive health care	Gujarat	1,27,000	1,08,000	1,08,000	Implementing Agency: Emmbi Foundation*
6	Health Programme Providing treatment for Cancer Patients	Promoting health care including preventive health care	Maharashtra	85,000	50,000	50,000	
7	Promoting Sustainable Well-being and wellness	Organizing workshops for bringing together people to achieve a common vision for sustainable well being and wellnes	Maharashtra	3,68,000	3,43,705	3,43,705	
8	Promoting Education	Promoting Education	Maharashtra	25,000	15,000	15,000	
9	Health Programme Providing treatment for Cancer Patients	Promoting health care including preventive health care	Maharashtra	15,000	8,000	8,000	
10	Promoting Culture & Traditional Arts	Protection of national heritage, art & culture	Maharashtra	18,000	12,500	12,500	
11	Promoting Culture & Traditional Arts	Protection of national heritage, art & culture	Maharashtra	20,000	12,500	12,500	
12	Community Development	Promoting Cleanliess & Sanitation	Silvassa	1,15,000	1,00,260	1,00,260	
13	Health Programme- providing treatment for patients	Promoting health care including preventive health care	Maharashtra	60,000	50,000	50,000	

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs: 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) Project or programs wise	(6) Amount spent on the projects or programs Sub-heads 1) Direct expenditure on projects or programs 2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency
14	To provide/ facilitate training/award for sportspeople and promote rural sports	Promoting Sports	Maharashtra	20,000	18,207	18,207	Implementing Agency: Emmbi Foundation*
15	Health Programme Providing treatment for Cancer Patients	Promoting health care including preventive health care	Maharashtra	10,000	7,000	7,000	
16	Health Programme Providing treatment for Patients	Promoting health care including preventive health care	Maharashtra	55,000	50,000	50,000	

\* Net Profit Before Tax has changed due to IND AS impact.

• Emmbi Foundation is a Trust within the meaning of The Maharashtra Public Trust Act, 1950 and has a comprehensive approach towards development with an overall aim to create and support meaningful and innovative activities that address some of India's most pressing developmental challenges, with the aim of enabling lives, living and livelihood for a stronger and inclusive India.

6. The company has identified certain CSR projects and programs in the villages around Silvassa or in the area of its operation in detail sector in the States of Maharashtra and Rajasthan. Company's Foundation will focus on the development of awareness of water conservation, to make tobacco free environment in and around company's factories. We will implement this by involving with the local bodies and elected representatives, village communities, self-governing organizations and Government agencies.

Several long term projects have been identified and are under implementation and would take time for completion. Company has laid out a clear road map for achieving the desired results enunciated in its CSR policy and is confident of meeting the statutory requirement.

7. The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Place: Mumbai  
Date: 29th May, 2018

(Makrand Appalwar)  
Chairman & Managing Director  
DIN: 0000171950

(Dr. Venkatesh Joshi)  
Chairman of CSR Committee  
DIN: 0001234871



## ANNEXURE 5 TO THE DIRECTOR'S REPORT

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(₹ IN MILLION)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Emmbi Scandinavia ApS
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April to March
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	EURO
4.	Share capital	0.54
5.	Reserves & surplus	(7.98)
6.	Total assets	0.01
7.	Total Liabilities	7.44
8.	Investments	—
9.	Turnover	—
10.	Profit before taxation	(1.05)
11.	Provision for taxation	—
12.	Profit after taxation	(1.05)
13.	Proposed Dividend	Nil
14.	% of shareholding	100

@ The exchange rate is of ₹ 80.6222

As per proviso 4 to Rule 6 of the Companies (Accounts) Amendment Rules, 2015 the consolidation of a foreign subsidiary is not applicable.

For and on behalf of the Board of Directors of Emmbi Industries Limited

Makrand Appalwar  
Managing Director

Rinku Appalwar  
Director & CFO

Kaushal Patvi  
Company Secretary





# Management Discussion and Analysis



## Forward Looking Statements

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

## Economy and Outlook

The upswing across the global economy, that began in the latter part of 2016 helped achieve growth rates of 3.70% in 2017. The IMF reports suggest that the advanced economies would continue to grow, this year and next before decelerating, whilst the emerging markets should rise, and then level off. Global growth would be driven by consumption in the US, manufacturing outputs in Japan, and China. The expansionary monetary policy in Euro Zone, Better conditions in Emerging Europe, Brazil, Mexico etc. would offset the contractions in countries suffering political, and civil strife. The increased trade and investments across nations, and the pick up in commodity exporters were the main drivers of this growth. Whilst the upside gains, and downside risks seem balanced in the short term, longer term growth is likely to be influenced by tightening of financial conditions, waning support for economic integration, new winds of protectionist trade policies, and civil unrests in certain parts of the world.

The sluggishness of the first two quarters was overcome by smart pick up in exports, manufacturing, and consumption in the last two quarters of 2017-18.

Domestic growth was at 6.70%, the sluggishness of the first two quarters was overcome by smart pick up in exports, manufacturing, and consumption in the last two quarters of 2017-18. GDP growth has averaged 7.30% in the past four years. This places India as one of the fastest growing large economies, and the seventh largest economy in the world. This is commendable, as the growth has come in the context of lower inflation, improved current account balances, and a reduction in the fiscal debt to GDP ratio. The year witnessed critical structural initiatives, such as the introduction of GST, New regulations on the management of non-performing assets and banks, liberalisation of FDI norms. After a period of stagnation exports picked up the last year, and there

was also an augmentation in the exchange reserves of the country.

The drivers for growth in India seem intact, with the IMD predicting a good monsoon, manufacturing output and demand for investments also picking up. The tightening of the crude oil prices, and the trade issues between the US, and China could help Indian exports to improve India's growth prospects in the coming years.

## Sector Performance





The world is witnessing an exponential growth in the usage and consumption of polymers. Production that used to range at 340 million tons p.a. in 2010 is expected to cross 540 tons by 2020, a compounded annual growth of nearly 10%. The completely man-made nature of polymers makes innovation and creation of new materials, virtually limitless.

The Polymer sector in India is estimated at over \$73 billion, and this is expected to grow at upwards of 8% over the next five years. Despite being one of the world's largest economies, India lags in the consumption of technology polymers at just under 10kgs while world average is 30kgs. With a pick up in the manufacturing, the government's emphasis on infrastructure, people's favourable shift towards water conservation products, this sector is likely to continue its double digit growth in the medium and long term.

## Emmbi's Industries International and Domestic Business

### Product Range

We are proud to state that we have over 40 individual products that cater to a B2B client base of over 200, spread across 56 countries. The products are classified into four business segments – Speciality Packaging, Advanced Composites, Water Conservation and Agro Polymer.

Segment	Share 2018	Share 2017	Product Applications
 Water Conservation	21%	18%	Transportation, Storage, Irrigation, Conservation, Harvesting of water.
 Advanced Composites	44%	45%	Human Safety, Transportation & Management of Hazardous Material, Protective films & Fabrics.
 Specialty Packaging	33%	33%	Chemicals, e-commerce, Oil & Water, Polymer Packaging.
 Agro Polymers	3%	4%	Yield Improvement in Agri & Dairy industry through Crop Protection Systems, Flexible Fermentation Storages, Radiation & Hailstorm Control, Weed management films.

## International Business

Revenues from Exports stood at ₹ 1,193 million, notably across 56 countries with North America being the largest contributor, followed by Europe. In addition to diversification across geographies, Emmbi's clientele include a wide range of industries.

In the International Markets, our focus continues to be North America, for we understand the market, the brand is well accepted, and have a set of marquee clients. Also being a large market, and diversified clientele, our risks are mitigated. In the other economies, we restrict our exposure not more than 5% across each country, and below 4% per client.



## Domestic Business

Business in the domestic market registered smart gains driven by value added products in the water conservation, and agro polymer segments. The strategic move initiated in the earlier years, in terms of resource allocation to high margin products that began to payoff the past year, consolidated this year, and the company would reap higher benefits in the coming years.



We strongly feel that this growth is sustainable on account of many fronts some of which we list below:

1. The urbanisation of the country leading to greater consumption of polymer products.
2. Consumer and Industry wide shifts – be it jute bags to polypropylene bags, or glass to polymer syringes, concrete lined canals to polymer, use of polymers in highways etc.
3. Emmbi's innovation and long standing credibility with clients makes it a first choice provider for existing clients, and serves as a strong referral base.
4. The move into the consumer segment, and the investments in brand 'Avana'.

## Retail Operations

We have started gaining very good traction in the B2C segment; Emmbi being historically a B2B company, had last year created a separate team, and business plan to cater to the B2C segment. Our strategy has been validated not only through financial parameters such as a three fold growth in revenues, higher margins etc., but importantly a growing customer base through referrals of existing clients, and enquiries from newer markets and spreading geographies. We are optimistic that over the next three years this would drive growth, and contribute to 25% of overall revenues. We have since created "Avana" a 'Strategic Business Unit' within Emmbi that would have a special focus on developing and spreading the young B2C vertical.

## Emmbi's Operations

### Plant Capacity and Utilisation

Plant capacity increased by 25%, from 18,000mtpa, to 24,000mtpa, of which 3,600 was for the pond lining business, and the balance for the food, and pharmaceutical grade polymers. On account of this large addition, capacity utilisation is at 75, and is expected to go up by 8%~10% over the next two years. We also introduced Industry 4.0 standards (IoT & ML), that has ensured that wastage is reduced to a minimalistic level.

We continued to impress both in terms of revenues, and earnings to shareholders, with revenues of ₹ 2,790 Million and a record profit of ₹ 149 Million

### Inventories Management

Emmbi's strategy of managing business in a non-speculative nature, translates down to its inventory management policies. As a policy we maintain and match the order pipeline to the inventory levels. This helps Company to insulate itself from the external conditions like changing crude oil prices and global currency fluctuations. Moreover, the relationship between Emmbi's products and crude prices, is not entirely hard wired. Contribution of the RM in our product is around 50% while the other parts attribute to operating costs and profits. Also we need to understand, while calculating the cost of polymers irrespective of the prices of crude, around US \$650 is a constant refining margin which is fixed over the cost of the crude oil. That means in the Emmbi's products the impact of the change in the crude oil price is not directly connected to the movement in the crude oil prices.

Despite this linkage, we as a policy continue to apply effective hedge mechanisms.

### Record Earnings

We continued to impress both in terms of revenues, and earnings to shareholders. The company recorded an impressive top line growth in revenues to ₹ 2,790 million and a record profit of ₹ 149 million.

### Quality and Adherence

We adhere to the latest international standards, and believe in adapting the best practices in the industry, be it people, processes, quality of our products or internal systems. We are in the process of "Integrated Management System"(IMS) a customised combination of ISO 9001 & OSAHAS 18000 and ISO 14000. This is in addition to the certification of ISO 9001:2008 that your company possess.

### People and Processes

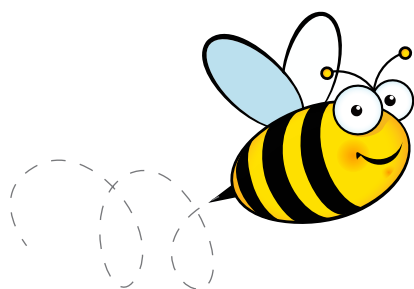
We continue in investing and developing existing talent, and source human resources when needed. We continue to conduct workshops on both technical, and soft skills, with the help of internally created teams, and external experts. We have in place a 'Whistle Blower' policy keeping in check with the best practices

We have launched many initiatives that have brought down attrition rate in the blue collared work force, one of which is a structured skill up-gradation programme for the "Job of Choice".

### Information Technology

All our plants and offices across all the locations are electronically integrated. We are one of the first to adopt Industry 4.0 practices, where we commenced a trial last year by connecting four machines that would communicate with each other, so that production can be optimised.

Our plan to connect 100 more machines, this year is on track, and this would translate to significant cost advantages in coming years.



We are now a full-fledged R&D Development Centre, accredited by the Government of India!

### Research & Development

Emmbi runs full-fledged R&D centre called Emmbi Innovation Lab., accredited by the Department of Science and Technology, the Government of India. Emmbi Innovation Lab. is operated by around 35 member team which has more than 250 years of collective experience at the managerial level. Emmbi Innovation Lab. has been instrumental in filing for 14 patents in the past six years. As a policy we allocate approximately 2.50% of revenues towards, research and product development of new products. This not only helps us in getting tangible benefits like tax breaks, preferred bidder for government projects, etc but also keep us in the forefront of the value curve all the time.

## Financial Highlights With Respect to Operational Performance

Particulars	(₹ IN MILLION)	
	FY 2017-2018	FY 2016-2017
Gross Sales and Other Income	2,789.83	2,409.89
Net Profit after Interest Depreciation and Tax*	148.50	122.05

\* The net profit is after considering the IND AS impact

### Cautionary Statement

The estimation and expectation made in this report may differ from actual performance due to extraneous factors such as socio-economic conditions, governmental policies, regulations, natural calamities and various other factors.

### For & On Behalf of the Board of Directors

**Makrand Appalwar**

**Chairman & Managing Director**

**Mumbai**

I could harvest my Pomegranate in time because of adequate water that Emmbi Jalasanchay Company provided me, by creating an instant farm pond. I will rate 5 stars to Emmbi Jalasanchay company for its pond liner quality and its service.

— Babasaheb Padul  
Post Ladasawangi, Dist. Aurangabad







With our artificial ponds, areas like Jaisalmer which were traditionally deserts, are greener than ever.

“With Avana, we’re helping put food on the table, for people who put food on ours.” -Maithili Appalwar



Food is something that is so important, for our very survival. And yet, we take it for granted, not for a moment, thinking about the people that help put the food on our table. Our farmers. Changing weather patterns, depleting water tables and structural inefficiencies mean that those who put food on our table often go hungry.

At Avana, we are deeply cognizant of the issues that our farmers face. It is something that has propelled us to create a dedicated “Strategic Business Unit” within our company, that is dedicated to improving the lives of our farmers. By bringing to them, a range of products and services that take the most of what nature has to offer and make it better. So that farmers and agriculturists around the world can improve their yields, while reducing their dependency on the vagaries of nature.

Apart from bringing in a fresh perspective, Avana is tasked with creating a purpose-led, inspiring workplace that will attract the right kind of talent to deliver on our vision. The division will initially offer two categories of products from the Emmbi stable – Water Conservation and Crop Protection. Each of these products are designed to help the farmers harness the power of nature to their advantage. We realize that the journey is long and arduous and yet, every great journey begins with a single step!





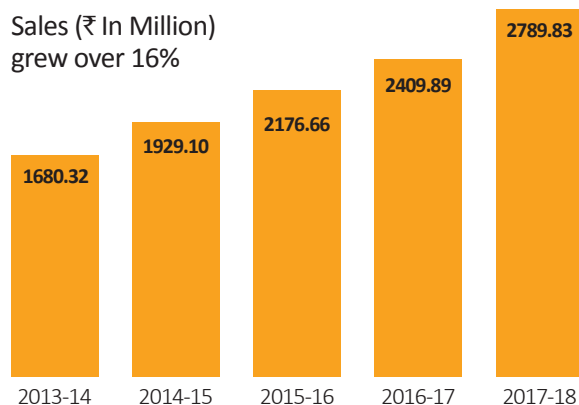
One of the many artificial ponds that Emmbi's Avana division has deployed, at Pahur in Jalgaon District, Maharashtra. In just two years, Emmbi Industries has created 2,982 ponds across India, which has resulted in over 13,500 Million Litres of water being conserved and close to 18,000 lives being impacted positively.



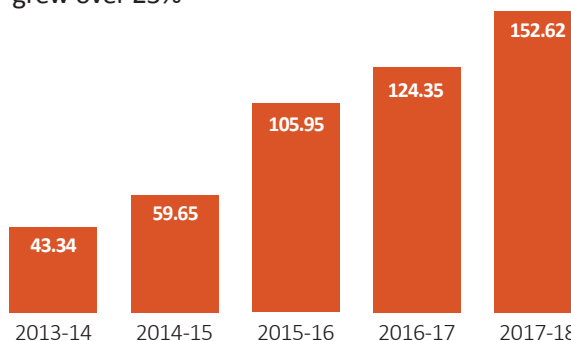
# Another buzzing year!



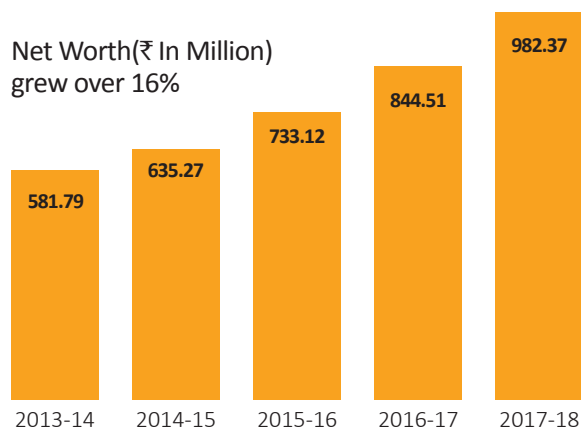
Sales (₹ In Million)  
grew over 16%



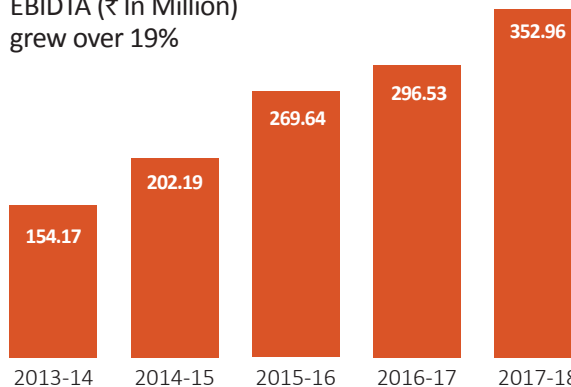
Profit After Tax (₹ In Million)  
grew over 23%



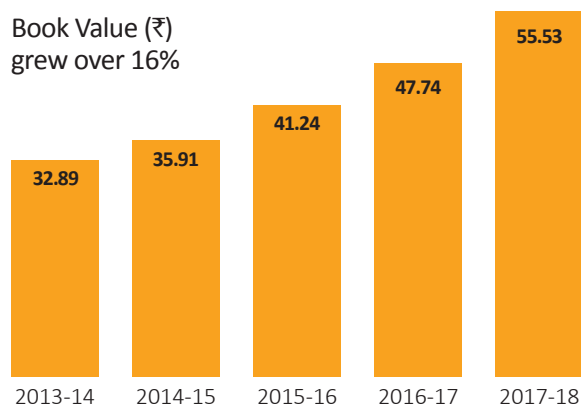
Net Worth (₹ In Million)  
grew over 16%



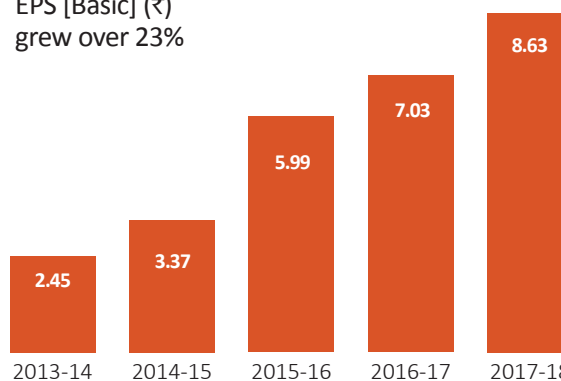
EBIDTA (₹ In Million)  
grew over 19%



Book Value (₹)  
grew over 16%



EPS [Basic] (₹)  
grew over 23%



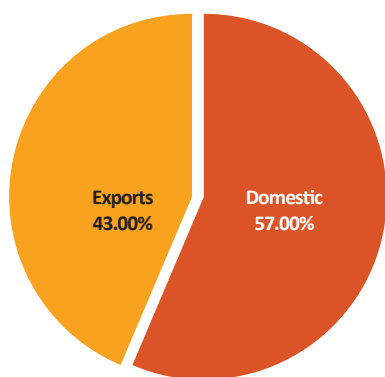
## Analysis of Financial Performance

### Growth in Revenue

The gross top-line growth of 15.80% was aided by increase in sales. Growth was in line with the strategy of reducing dependence on low margin business, and focusing on margin driven segments, and products. Whilst there was moderate growth of around 14% in the Speciality Packaging and Advanced Composites business. The Water Conservation business as a whole saw a substantial growth of around 31% in total and whopping growth of around 250% in the retail marketing segment. And Agro product segments maintained its contribution to around 3% in total revenues.

### Improvement in EBITDA and PAT

Improved contribution of value added water conservation products and a substantial improvement in the retail sales was one of the main contributor of the improved EBITDA. The age old peak revenue generator, Advanced Composite has also contributed its own share in fortifying the EBITDA to the impressive levels. The net increase of 93 basis points that is 12.94 in the last year to 13.87 in the year 2017-18 was a game changer. Manufacturing expenses were lower compared to the previous year, on account of both economies of scale (operational leverage), as well as adoption of innovative methods to lower costs.



### Rationalised Borrowing Profile

Finance costs stood at ₹ 95 million (P.Y. ₹ 83 million). The shortfall created by the “GST Lockout of Funds for Exporters” was bridged using incremental borrowings. There was also a change in the borrowing profile, some of the high cost debts were retired using moderately priced long term borrowing. We believe the recent upgrade on the company's credit ratings, coupled with stream lining of GST refunds would help in the overall reduction in interest costs.

### Profits and Distribution

Emmbi Industries continued to improve its profit margins, and delivered results with Profits after Tax at ₹ 153 million a commendable growth of 23%. The management and the Board decided to reward the shareholders by paying the dividend of ₹ 0.50 per equity share.

### Improved sweating of Fixed Assets

Fixed Assets for the year stood at ₹ 1,105 million for 2017-18 from PY ₹ 856 million 2016-17. Wholesome 29.00% growth in fixed assets is primarily on account of investments in the setting up new projects for Food and Pharmaceutical Grade, Bulk Packaging and Water conservation products manufacturing.

With a steep increase (29%) in the asset block the ROCE was well under control to 16.12% for the year 2017-18 from the PY of 16.41%. Interestingly the ROE increased to 15.54% in the year 2017-18 from the PY 14.72% in the year 2016-17.

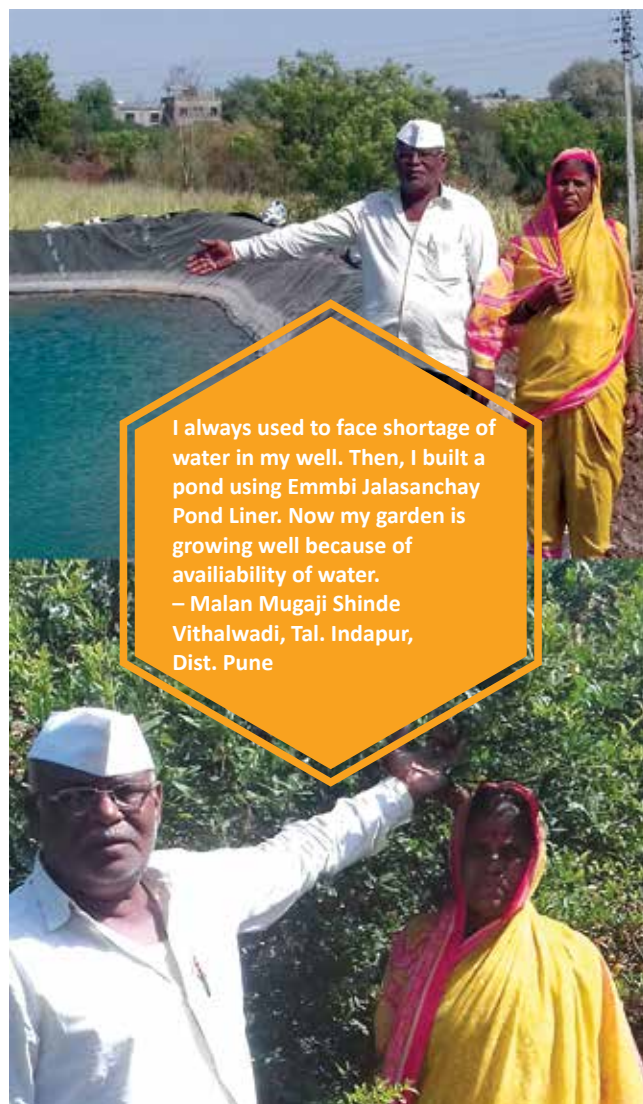
With better capacity utilisation in the coming years both ROCE and ROE will head northwards.

### Tighter Control on Current Assets

Inventories at the year end stood at ₹ 697 millions (P.Y. ₹ 633 millions) at 109 days for the year 2017-18 from 112 days of P.Y. 2016-17. Working capital has also shown a positive trend by reducing the number of days to 120 days in 2017-18 from 141 days of the P.Y. 2016-17.

### Capital and Borrowings

Though the sustainable growth always remains at the base of our every action, Company targets to maintain the debt equity ratio under 1:1 in the coming years. This is well under the standard industry norms in the manufacturing industry of 2:1.





# Corporate Governance Report



## I. Company's philosophy on Corporate Governance

Corporate governance seeks to raise the standards of corporate management, strengthen the Board systems, significantly increase its effectiveness and ultimately serve the objective of maximizing the shareholders' value. Corporate Governance ensures fairness, transparency and integrity of the management.

The Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, lenders, government, suppliers, dealers, customers, etc. and accordingly lays great emphasis on regulatory compliances. The Company firmly believes that Corporate Governance is a powerful tool to sub serve the long-term growth of the Company and continues to give high priority to the principles and practice of Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of Corporate Governance as laid down in the Listing Regulations.

The responsibility for putting the recommendations into practice lies directly with the Board of Directors and the Management of the Company. The driving forces of Corporate Governance at Emmbi Industries Limited are its core values, which are belief in people, entrepreneurship, customer orientation and the pursuit of excellence.

## II. BOARD OF DIRECTORS

### 1. COMPOSITION AND CATEGORY:

The composition of the board of directors should ensure that the board can attend to the common interests of all shareholders and meet the company's need for expertise, capacity and diversity. Attention should be paid to ensuring that the board can function effectively as a collective body. The composition of the Board of Directors also takes into account the development phase of the Company, the special requirements of the industry and the needs of the Company's operations. Both genders are represented in the Board of Directors.

The current policy of Emmbi is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and to separate its functions of governance and management. The Non-Executive Directors are professionals with specialization in their respective fields and have varied skills and expertise. The Company believe that it has a truly diverse Board which leverages on the skills and knowledge, industry or related professional experience, age and gender, which helps the Company to retain our competitive advantage. The composition of the Board is in conformity with the requirements of the listing regulations.

Category	Name of Directors
<b>Promoter Executive Directors</b>	Mr. Makrand M. Appalwar Chairman & Managing Director
	Mrs. Rinku M. Appalwar Executive Director & Chief Financial Officer
<b>Non Promoter and Executive Director</b>	Mr. Krishnan I. Subramanian Whole time Director (Appointed as an Additional Director in the meeting of the Board of Directors of the Company held on 29th May, 2018 with Regularization in the forthcoming Annual General Meeting of the Company)
<b>Non-Executive &amp; Independent Directors</b>	Mr. Rama A Krishnan
	Mr. Prashant K. Lohiya
	Dr. Venkatesh G. Joshi



## 2. BOARD PROCEDURES:

The Company follows a structured process of decision-making by the Board and its Committees. Detailed agenda and other explanatory statements are circulated well in advance to the Board members. The Agenda for the meetings of the Board and its Committees, together with the appropriate supporting documents are circulated well in advance of the meeting date. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the subsequent Board meeting for noting. The Board is also free to recommend inclusion of any matter in the agenda for discussion. Apart from the Board of Directors, the Company Secretary & the Chief Financial Officer are invited to attend all the Board meetings. Senior management officials are called to provide additional inputs on the matters being discussed by the Board/ Committee. The Board has complete access to all relevant information of the Company. The Managing Director at the Board Meetings keeps the Board apprised of the overall performance of the Company.

## 3. MEETINGS OF THE BOARD OF DIRECTORS:

The Board met 4 (four) times on the following dates during the financial year 2017-2018.

20th May, 2017

14th August, 2017

14th November, 2017

7th February, 2018

In compliance with Section 173 of the Companies Act, 2013, and listing regulations with the stock exchanges, the Board met four times during the financial year and the interval between two meetings was not more than 120 days.

## 4. ATTENDANCE OF DIRECTORS IN BOARD MEETINGS

	No. of Board Meetings attended during the financial year 2017-2018	Attendance in AGM held on Sept 22, 2017	No. of directorships in other Public Limited Companies	No of Board Committees in which Chairman/Member#	Chairman	Member
1 Mr. Makrand M. Appalwar	4	Yes	Nil	Nil	Nil	Nil
2 Mrs. Rinku M. Appalwar	4	Yes	Nil	Nil	Nil	Nil
3 Mr. Sanjay R. Rathi (Resigned w.e.f. 9th October, 2017)	2	Yes	Nil	Nil	Nil	Nil
4 Dr. Venkatesh G. Joshi	4	Yes	Nil	Nil	Nil	Nil
5 Mr. Prashant K. Lohiya	4	Yes	Nil	Nil	Nil	Nil
6 Mr. Rama A. Krishnan (Appointed w.e.f. 31st March, 2018)	0	No	Nil	Nil	Nil	Nil

# Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationship Committee in all Indian Public Limited Companies other than Emmbi Industries Limited have been considered.

None of the Directors hold Directorship in more than the permissible number of Companies under the relevant provision. Further, none of the Directors on the Board is a member of Ten Committees or Chairman of more than Five Committees.

## 5. INDEPENDENT DIRECTORS

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013, and rules made thereunder and meet the requirements of the listing regulations with the stock exchanges. On appointment, A formal letter of appointment is issued to the Independent Directors setting out in detail the terms of appointment, duties, responsibilities and expected time commitments, etc., as provided in Companies Act, 2013 and the Listing Regulations and which is available on the website of the Company viz. [www.emmbi.com](http://www.emmbi.com).

## 6. FAMILIARISATION PROGRAMME FOR DIRECTORS

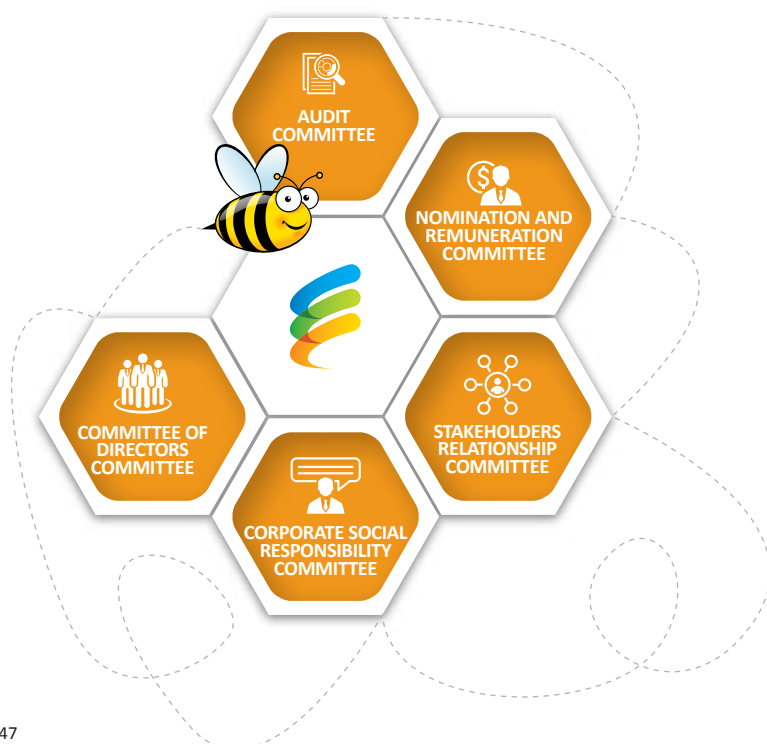
At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the terms, role, functions, duties and responsibilities expected of him/her as a Director of the Company. On an on-going basis the Company shall through its Managing Director/Whole time Director/Senior Managerial Personnel, as required from time to time, conduct programmes/ presentations periodically to familiarize the Director with the business strategy, business and operations of the Company. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. The programme will include visits to various plant locations from time to time to make them aware about the product lines and operations of the Company. The details of such familiarization programmes for Independent Directors are available on the website of the Company viz. [www.emmbi.com](http://www.emmbi.com).

## 7. SEPARATE MEETINGS OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was held during the financial year 2017-2018 wherein the Independent Directors discussed the process of evaluating the performance of the non-independent directors and the Board as a whole, performance of the Chairperson of the Company taking into account the views of executive directors and non-executive directors assessed the quality, quantity and timelines of flow of information between the Company management and the Board for the Board to effectively and reasonably perform their duties.

## 8. TRAINING OF INDEPENDENT DIRECTORS

Whenever new non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organisation structure, Company's policies and procedures, our business, constitution, board procedures, our risk and management strategy, etc. The appointment letters of Independent Directors has been placed on the Company's website [www.emmbi.com](http://www.emmbi.com).



### III. COMMITTEES OF THE BOARD

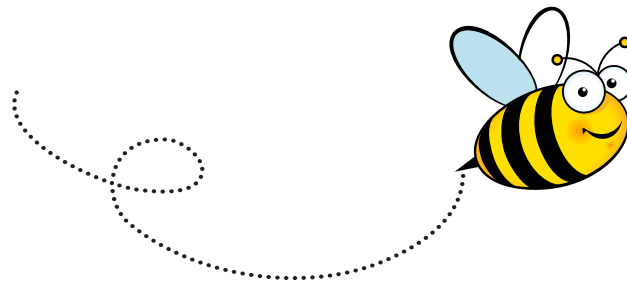
The Company has constituted Five committees of the Board of Directors viz. Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Committee of Directors Committee. The committees have a combination of Executive and Non-Executive & Independent Directors. All the Board committees constitute an important element of the governance process. These Board Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. Committees deliberate on the matters referred to it by the Board. Recommendations of the committees are submitted to the Board to take decision on the matter referred.

#### 1) AUDIT COMMITTEE

The Audit Committee assists the Board in its responsibility for overseeing the quality of the accounting, auditing and reporting practices of the Company and its compliances with the legal and regulatory requirements.

##### a) Present Composition and Attendance of the Audit committee:

Member of the Committee	No. of meetings held	No. of meetings attended
Mr. Sanjay Rath, Independent Non-Executive Director Chairman of the Committee (Resigned w.e.f. 9th October, 2017)	2	2
Mr. Prashant Lohiya Independent Non-Executive Director Chairman of the Committee	4	4
Dr. Venkatesh Joshi Independent Non-Executive Director Member of the Committee	4	4
Mr. Rama A. Krishnan Independent Non-Executive Director Member of the Committee (Appointed w.e.f. 31st March, 2018)	0	0
Mrs. Rinku Appalwar CFO & Executive Director Member of the Committee	4	4



The composition of the Audit Committee meets with requirements of Section 177 of the Companies Act, 2013 and the Listing Regulations. The terms of reference of the Audit Committee cover all the areas mentioned under Listing Regulations and section 177 of the Companies Act, 2013. Members of the Audit Committee possess financial / accounting expertise / exposure.

##### b) Meetings Held

The Audit Committee met 4 (four) times on the following dates during the financial year 2017-2018.

20th May, 2017  
14th August, 2017,  
14th November, 2017  
7th February, 2018

- The Chairman of the Audit Committee Mr. Sanjay Rath was present at the previous Annual General Meeting held on 22nd September, 2017. Mr. Sanjay Rath resigned from the Board of the Company and from the various committees of the Company w.e.f. 9th October, 2017.

##### c) Terms of Reference of the Audit Committee, inter alia, include the following:

The following terms of reference stipulated by the Board of Directors to the Audit Committee cover all the matters specified under the Listing Regulations as well as the provisions of Section 177 of the Companies Act, 2013. The Audit Committee has powers;

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee, inter alia, includes the following:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company;
- Approving payment to statutory auditors, including cost auditors, for any other services rendered by them;
- Reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgement by the management;
  - Significant adjustments made in financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions; and
  - Qualifications in draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Monitoring and 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 utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow-up thereon;

- 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;
- 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;
- To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Vigil Mechanism and Whistle Blower mechanism;
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the following information:
  - Management discussion and analysis of financial condition and result operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s).

## 2) NOMINATION & REMUNERATION COMMITTEE

### a) Present Composition and Attendance of the Nomination & Remuneration committee:

Member of the Committee held	No. of meetings attended	No. of meetings
Mr. Sanjay Rath, Independent Non-Executive Director Chairman of the Committee (Resigned w.e.f. 9th October, 2017)	2	2
Mr. Prashant Lohiya Independent Non-Executive Director Member of the Committee	2	2
Dr. Venkatesh Joshi Independent Non-Executive Director Member of the Committee	2	2
Mr. Rama A. Krishnan Independent Non-Executive Director Member of the Committee (Appointed w.e.f. 31st March, 2018)	0	0

### b) Meetings Held

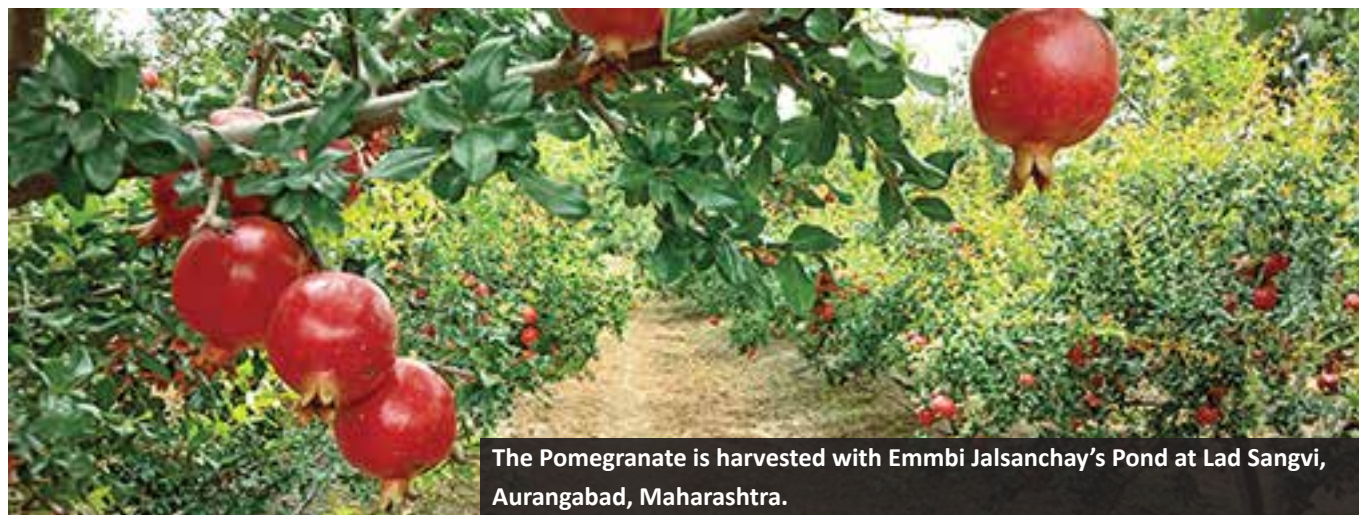
The Nomination & Remuneration Committee met 2 (two) times on the following dates during the financial year 2017-2018.

20th May, 2017

17th November, 2017

### c) Terms of Reference of the Nomination & Remuneration Committee, inter alia, include the following:

- To recommend and review the remuneration packages of the Managing Director and Whole Time Directors including pension rights and compensation payment.
- To recommend and review on the sitting fees to be paid to the Non-Executive Directors and Independent Directors for attending the Board Meetings and Committee Meetings.
- To help in determining the appropriate size, diversity and composition of the Board.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director; and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To assist in developing a succession plan for the Board.
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties



The Pomegranate is harvested with Emmbi Jalsanchay's Pond at Lad Sangvi, Aurangabad, Maharashtra.

### 3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has constituted a Stakeholders' Relationship Committee of Directors primarily to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, subdivision/consolidation of share certificates, transmission of shares, issue of duplicate share certificates, dematerialization/rematerialisation of shares.

#### a) Present Composition and Attendance of the Stakeholders' Relationship Committee:

Member of the committee	No. of meetings held	No. of meetings attended
Mr. Prashant Lohiya Independent Non-Executive Director Chairman of the Committee	4	4
Mr. Sanjay Rathi, Independent Non-Executive Director Member of the Committee (Resigned w.e.f. 9th October, 2017)	2	2
Dr. Venkatesh Joshi Independent Non-Executive Director Member of the Committee	4	4
Mr. Rama A. Krishnan Independent Non-Executive Director Member of the Committee (Appointed w.e.f. 31st March, 2018)	0	0
Mrs. Rinku Appalwar CFO & Executive Director Member of the Committee	4	4

The Stakeholders' Relationship Committee's composition and the terms of reference meet with the requirements of the Listing Regulations and provisions of the Companies Act, 2013.

#### b) Meetings Held

The Stakeholders' Relationship Committee met 4 (four) times on the following dates during the financial year 2017-2018.

20th May, 2017

14th August, 2017,

14th November, 2017

7th February, 2018

As required by Securities and Exchange Board of India (SEBI), Mr. Kaushal Patvi, Company Secretary and Compliance Officer of the Company, is the Compliance Officer and for a clarification/complaint, the shareholders may contact Mr. Kaushal Patvi, Company Secretary and Compliance Officer of the Company at investor.grievances@emmbi.com.

#### c) Terms of Reference of the Stakeholders' Relationship Committee, inter alia, include the following:

- To look into redressal of investors' complaints and requests such as transfer of shares/debentures, non-receipt of dividend, notices, annual report, etc.
- To approve allotment, transfer, transmission, consolidation, split, name deletion and issue of duplicate share certificate of equity shares of the Company;
- To redress shareholder and depositor complaints like non-receipt of Balance Sheet, non-receipt of dividend warrants etc.;
- To address all matters pertaining to Depositories for dematerialization of shares of the Company and other matters connected therewith.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitoring expeditious redressal of investors / stakeholders grievances.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

Status of Investor Complaints as on March 31, 2018 and reported under Regulation 13 of the Listing Regulations are as under:

Complaints as on April 1, 2017	Nil
Received during the year	2
Resolved during the year	2
Pending as on March 31, 2018	Nil

### 4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

#### a) Present Composition and Attendance of Corporate Social Responsibility Committee:

Member of the committee	No. of meetings held	No. of meetings attended
Dr. Venkatesh Joshi Independent Non-Executive Director Chairman of the Committee	2	2
Mr. Sanjay Rathi, Independent Non-Executive Director Member of the Committee (Resigned w.e.f. 9th October, 2017)	1	1
Mr. Prashant Lohiya Independent Non-Executive Director Member of the Committee	2	2
Mr. Rama Krishnan Independent Non-Executive Director Member of the Committee (Appointed w.e.f. 31st March, 2018)	0	0
Mrs. Rinku Appalwar CFO & Executive Director Member of the Committee	2	2



Chandwad taluka is a drought-prone area, I could only cultivate my field from December to January. Then I began to harvest rain water, by building an Emmbi Jalasanchay farm pond. Now, I have enough water and I can plant tomatoes in the summer too!  
— Harish Babaji Nalge  
Adgaon, Tal. Chandwad, Dist. Nashik

**b) Meetings Held**

The Corporate Social Responsibility Committee met 2 (two) times on 20th May, 2017 and 14th November, 2017 during the financial year 2017-2018.

**c) Terms of Reference of the Corporate Social Responsibility Committee, inter alia, include the following:**

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress;
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

**5. COMMITTEE OF DIRECTORS COMMITTEE**

The Board of Directors have constituted a Committee of Directors Committee and delegated powers to transact certain regular matters relating to the business of the Company. The Committee handles work relating to opening of offices in any part of the country, making application on behalf of the Company, as and when required, with various Government, Quasi-Government, Municipal, Local and such other authorities/ bodies/ departments such as Sales tax, Service tax, ESIC, Shops & Establishment authorities etc., all over India, making application with the appropriate authorities anywhere in India, for new telephone lines for offices, stores, warehouses and accommodations provided by the Company to its officials, Signing and executing Lease Agreements, borrowings from banks, financial institutions, foreign institutional investors and opening and closing of bank accounts and discharge procedural requirements for availing loans/opening bank and such other matters as delegated to the Committee by the Board of Directors from time to time.

**IV. REMUNERATION TO DIRECTORS****a. Remuneration to Executive Directors of the Company**

The Nomination and Remuneration Committee recommends to the Board of Directors, the remuneration of the Chairman & Managing Director and Executive Director & Chief Financial Officer by way of salary, allowances, perquisites and benefits.

	Name of the Director	Position	Remuneration	Service Contract	Notice Period
1	Mr. Makrand Appalwar	Chairman and Managing Director	* ₹ 7,839,600 p.a.	Reappointed for 5 years w.e.f. 30th March, 2015	6 months
2	Mrs. Rinku Appalwar	Executive Director Director & CFO	* ₹ 7,239,600 p.a.	Reappointed for 5 years w.e.f. 30th March, 2015	6 months

\* Break up of remuneration paid /payable to Mr. Makrand Appalwar is as under:

Sr. No.	Particulars	2017-2018 (₹)
1	Salaries, Allowances and Perquisites#	7,839,600
2	Contribution to Provident and other funds	Nil
3	Performance Bonus	Nil
4	Stock Option	Nil
5	Pension	Nil
	Total	7,839,600

\* Break up of remuneration paid /payable to Mrs. Rinku Appalwar is as under:

Sr. No.	Particulars	2017-2018 (₹)
1	Salaries, Allowances and Perquisites#	7,239,600
2	Contribution to Provident and other funds	Nil
3	Performance Bonus	Nil
4	Stock Option	Nil
5	Pension	Nil
	Total	7,239,600

# Excludes leave encashment and gratuity which is based on actuarial valuation provided on an overall Company basis.

**b) Remuneration to Non-Executive and Non-Executive & Independent Directors of the Company:**

The details of sitting fees and paid during the year ended 31st March, 2018 are given below:

Sr. No.	Name of Director	Sitting Fees Paid (₹)
1	Mr. Sanjay Rath	₹ 25,000
2	Mr. Prashant Lohiya	₹ 50,000
3	Dr. Venkatesh Joshi	₹ 50,000

**c) Details of Equity Shares held by Non-Executive Directors as on March 31, 2018:**

Name of the Director	Position	No. of Equity Shares held	% of Paid-Up Capital
Mr. Ram Krishnan	Non-Executive, Independent Director	—	—
Dr. Venkatesh G. Joshi	Non-Executive, Independent Director	—	—
Mr. Prashant K. Lohiya	Non-Executive Independent Director	6,250	0.035



## V. SUBSIDIARY COMPANIES

The Company has a wholly owned foreign subsidiary in the name of Emmbi Scandinavia Aps. Due to operational reasons the Company is in the process of winding up of Emmbi Scandinavia Aps and appropriate disclosures will be made by the Company as and when required. The Company has formulated the Material Subsidiary policy as required under the Listing Regulations and uploaded on the website of the Company [www.emmbi.com](http://www.emmbi.com).

## VI. OTHER DISCLOSURES

### 1. RELATED PARTY TRANSACTIONS

During the financial year 2017-2018 there were no materially significant transactions entered into between the Company and its promoters, directors or the management, or relatives, etc. that may have potential conflict with the interests of the Company at large.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with the Related Party Transactions pursuant to the provisions of the Companies Act, 2013 and listing regulations with the stock exchanges. The same is available on the website of the Company [www.emmbi.com](http://www.emmbi.com).

### 2. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.

### 3. WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and sub section (10) of the Companies Act, 2013 and as per the Listing Regulations, the Company has formulated Whistle Blower Policy, which provides a formal mechanism for all Directors and employees of the Company to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The disclosures reported are addressed in the manner and within the time frame prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company [www.emmbi.com](http://www.emmbi.com).

### 4. NON-MANDATORY REQUIREMENTS

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to-time.

### 5. CODE FOR PREVENTION OF INSIDER TRADING

With a view to regulate trading in securities by the Promoters, Directors and Designated/ Specified Employees, and based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted a Code of Conduct for prevention/prohibition of Insider Trading. The Code for Prevention of Insider Trading is available on the website of the Company [www.emmbi.com](http://www.emmbi.com).

### 6. CODE OF CONDUCT

The Company is committed to conducting its business in conformity with ethical standards and applicable laws and regulations. This commitment stands evidenced by the Code of Conduct adopted by the Board of Directors which is applicable to each member of the Board of Directors and Senior Management of the Company. The Company has received confirmations from all the Directors and Senior Management of the Company regarding compliance with the said code for the financial year under review. A certificate from Mr. Makrand Appalwar, Managing Director to this effect forms part of this report. The said code is also available on the Company's website [www.emmbi.com](http://www.emmbi.com).

### 7. INVESTOR PRESENTATIONS MADE TO INSTITUTIONAL INVESTORS OR TO THE ANALYSTS

During the financial year 2017-2018 various investor presentations made to the institutional investors or to the analysts. The said investor presentations are available on the Company website at [www.emmbi.com](http://www.emmbi.com).

## VII MEANS OF COMMUNICATIONS

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year as per the requirements of the Listing Regulations with the Stock Exchanges. The aforesaid financial results are sent to BSE Limited and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are thereafter published within forty-eight hours in leading English and Gujarati daily newspapers.
  - The quarterly, half yearly and annual financial results are published in the following newspapers in the state of Gujarat as the Registered office of the Company is situated in Silvassa, U. T. of Dadra and Nagar Haveli.
    - The Economic Times (English)
    - The Economic Times (Gujarati)
  - The financial results and shareholding pattern are also displayed on the Company's website: [www.emmbi.com](http://www.emmbi.com).
  - The Annual Report of the Company containing, inter alia, Audited Financial Statement, Directors' Report, Management Discussion & Analysis, Auditor's Report and other important information is displayed on the Company's website [www.emmbi.com](http://www.emmbi.com).
  - BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others are filed electronically on the Listing Centre.
  - The NSE Electronic Application Processing System (NEAPS) is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others are filed electronically on the NEAPS.
  - SEBI Complaints Redress System (SCORES) is centralized web based complaints redress system launched by Securities and Exchange Board of India (SEBI). This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. This would also enable the listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities starting from lodging of a complaint till its disposal by SEBI would be carried online in an automated environment and the status of every complaint can be viewed online at any time.
- separate meeting of the Independent Directors was held wherein the Independent Directors discussed the process of evaluating the performance of the non-independent director.



**Emmbi AquaSave's HTCPM canal liner with superior tear resistance and higher width makes it ideal for lining large canals.**



## VIII GENERAL SHAREHOLDER INFORMATION

### 1. GENERAL BODY MEETINGS

#### Annual General Meeting (AGM):

Financial Year	Date and Time	Whether any special resolution was passed	Location
2014-2015	29th September, 2015 10.00 a.m.	#Yes	99/2/1, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa 396 230
2015-2016	16th September, 2016 10.00 a.m.	No	99/2/1, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa 396 230
2016-2017	22nd September, 2017 10.00 a.m.	No	99/2/1, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa 396 230

#During the year under review, the Company has not passed any Special Resolution through postal ballot as per the provisions of the Companies Act, 2013 and the rules framed there under.

### 2. ENSUING ANNUAL GENERAL MEETING

Day, Date and Time: Monday, 24th September, 2018, at 10.30 a.m.

Venue: 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.

### 3. DIVIDEND PAYMENT DATE

On or before 23rd October, 2018

### 4. REPORTING OF UNAUDITED/AUDITED FINANCIAL RESULTS IN RESPECT OF FINANCIAL YEAR 2018-19 (TENTATIVE)

First quarter results	On or before 14th August, 2018
Second quarter results with half yearly results	On or before 14th November, 2018
Third quarter results	On or before 14th February, 2019
Fourth quarter results and Audited results for year ended on 31st March, 2019	On or before 30th May, 2019
Annual General Meeting for the year 2018-2019	On or before 30th September, 2019

### 5. FINANCIAL YEAR

1st April to 31st March.

### 6. BOOK CLOSURE DATES

Friday, 14th September, 2018 to Monday, 24th September, 2018 (both days inclusive).

### 7. DIVIDEND

Company has declared Dividend @ ₹ 0.50 per share for financial year 2017-18, subject to approval of shareholders.

### 8. LISTING OF SHARES

Sr. No.	Name	Address	Code	ISIN
1	BSE Limited	Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai -400001	533161	INE753K01015
2	National Stock Exchange of India Limited (NSE)	Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla complex, Bandra (East), Mumbai - 400051	EMMBI	INE753K01015

### 9. LISTING FEES TO STOCK EXCHANGES

Annual Listing Fee for the year 2018-19 has been paid by the Company to BSE and NSE.

### 10. CUSTODIAL FEES TO DEPOSITORIES

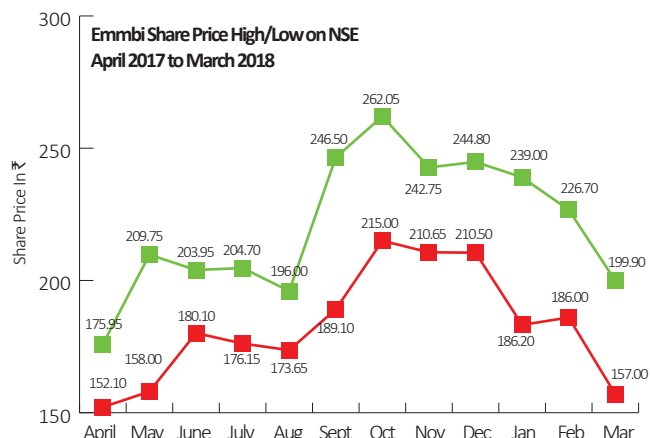
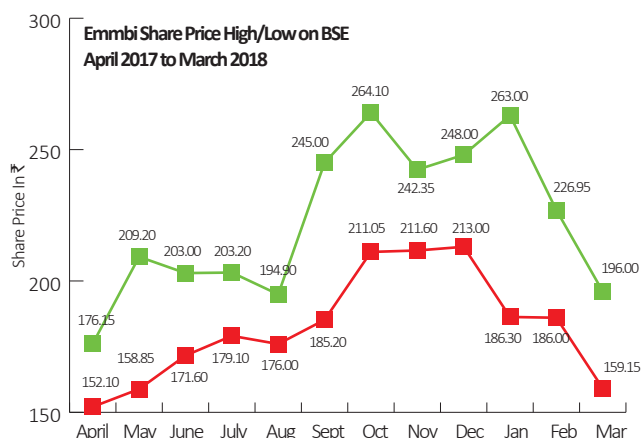
Annual Custody Fee for the year 2018-19 has been paid by the Company to NSDL and CDSL.

### 11. MARKET PRICE DATA

The performance of the stock in the BSE Limited & National Stock Exchange of India Limited (NSE) for the period of 12 months from April 1, 2017 to March 31, 2018 was as follows:

MONTH	BSE LIMITED (IN ₹)		NATIONAL STOCK EXCHANGE OF INDIA LIMITED (IN ₹)	
	High	Low	High	Low
April 2017	176.15	152.10	175.95	152.10
May 2017	209.20	158.85	209.75	158.00
June 2017	203.00	171.60	203.95	180.10
July 2017	203.20	179.10	204.70	176.15
August 2017	194.90	176.00	196.00	173.65
September 2017	245.00	185.20	246.50	189.10
October 2017	264.10	211.05	262.05	215.00
November 2017	242.35	211.60	242.75	210.65
December 2017	248.00	213.00	244.80	210.50
January 2018	263.00	186.30	239.00	183.20
February 2018	226.95	186.00	226.70	186.00
March 2018	196.00	159.15	199.90	157.00

## 12. STOCK PERFORMANCE OF EMMBI INDUSTRIES LIMITED



## 13. REGISTRAR & TRANSFER AGENT

Share Transfers in physical and Demat form is handled by the Company's Share Transfer Agents: M/s. Datamatics Financial Services Limited, having their office situated at Plot No. A-16 and 17, MIDC, Part B, Cross Lane, Marol, Andheri (East), Mumbai 400 093; Tel. No. 66712151-56; Fax No. 66712161; E-mail: investorsqry@dfssl.com.

## 14. SHARE TRANSFER SYSTEM

Physical shares sent for transfer are duly transferred within 15 days of receipt of the documents, if they are complete in all respects. Shares under objection are returned within 7 working days. Share transfers in physical form can be lodged with Datamatics Financial Services Limited, Registrar & Transfer Agents (RTA) at the above mentioned address. The Stakeholders' Relationship Committee reviews the share transfers approved by the RTA, Company Secretary who have been delegated with requisite authority. All requests for dematerialisation of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. The Members holding shares in electronic mode should address all their correspondence to their respective Depository Participant (DP) regarding change of address, change of bank mandate and nomination. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40 of the Listing Regulations and files a copy of the said certificate with Stock Exchanges.

## 15. SECRETARIAL AUDIT

As stipulated by SEBI, a Qualified Practising Company Secretary carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms the total Listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

## 16. CATEGORIES OF SHARES AS ON 31ST MARCH, 2018

Category	No. of Shares Held	% of Share Holding
<b>A. Promoter's Holding</b>		
1. Promoters		
- Indian Promoters	1,02,22,021	57.78
- Foreign Promoters	00	0.00
2. Person Acting In Concern	00	0.00
Sub-Total	1,02,22,021	57.78
<b>B. Non-Promoter's Holding</b>		
3. Institutional Investors		
- Mutual Funds & UTI	00	0.00
- Banks, Financial Institutions, Insurance Cos.,	12,177	0.07
- (Central/ State Govt. Inst., Non-Govt. Inst.)	00	0.00
Sub-Total	12,177	0.07
4. Others		
- Corporate Bodies	8,78,063	4.96
- Indian Public	50,50,365	28.55
- NRIs / OCBs / FIIs	15,27,624	8.64
- Any other	00	0.00
Sub-Total	74,56,052	42.15
<b>Grand-Total</b>	<b>1,76,90,250</b>	<b>100.00</b>



Emmbi's Krishirakshak crop protection products are designed to create a physical barrier between crops and pests, insects, excessive rain or frost just as effectively as chemical agents, without the potential harm. This makes the range uniquely suited for organic farming.

**17. DISTRIBUTION OF SHARES AS ON 31ST MARCH, 2018**

Sr No	Shares Range		Shares	% to Capital	No. of Holders	% to No. of Holders
	From	To				
1	1	500	9,75,267	6	7,125	80.85
2	501	1,000	6,28,916	4	792	8.99
3	1,001	2,000	6,43,598	4	440	4.99
4	2,001	3,000	3,56,106	2	144	1.64
5	3,001	4,000	2,47,951	1	70	0.79
6	4,001	5,000	2,79,401	2	61	0.69
7	5,001	10,000	7,59,368	4	104	1.18
8	10,001	50,000	10,46,492	6	54	0.61
9	50,001	99,99,99,999	1,27,53,151	72	23	0.26
		TOTAL	1,76,90,250	100	8,813	100.00

**18. DEMATERIALIZATION OF SHARES**

The Company's shares are required to be compulsorily traded in the Stock Exchanges in dematerialized form.

Description	Cases	Shares	%
NSDL	4,834	1,47,26,977	83.25
CDSL	3,978	29,63,263	16.75
Physical	1	10	-
TOTAL	8,813	1,76,90,250	100.00

**19. PLANT LOCATIONS****Manufacturing Facility No.1**

Survey No. 191/2/4, Meghwad Road, Masat Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.

**Manufacturing Facility No.2**

Survey No. 99/2/1, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.

**Manufacturing Facility No.3**

Survey No. 99/2/9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.

**Manufacturing Facility No.4**

Survey No. 87, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.

**Manufacturing Facility No.5**

Survey No. 28A & 42, Masat Industrial Estate, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.

**20. REGISTERED OFFICE**

99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa 396230.

**21. CORPORATE OFFICE**

Valecha Chambers, 3rd Floor; Opp. Infiniti Mall, Andheri New Link Road, Andheri (West), Mumbai 400 053.

**22. ADDRESS FOR CORRESPONDENCE**

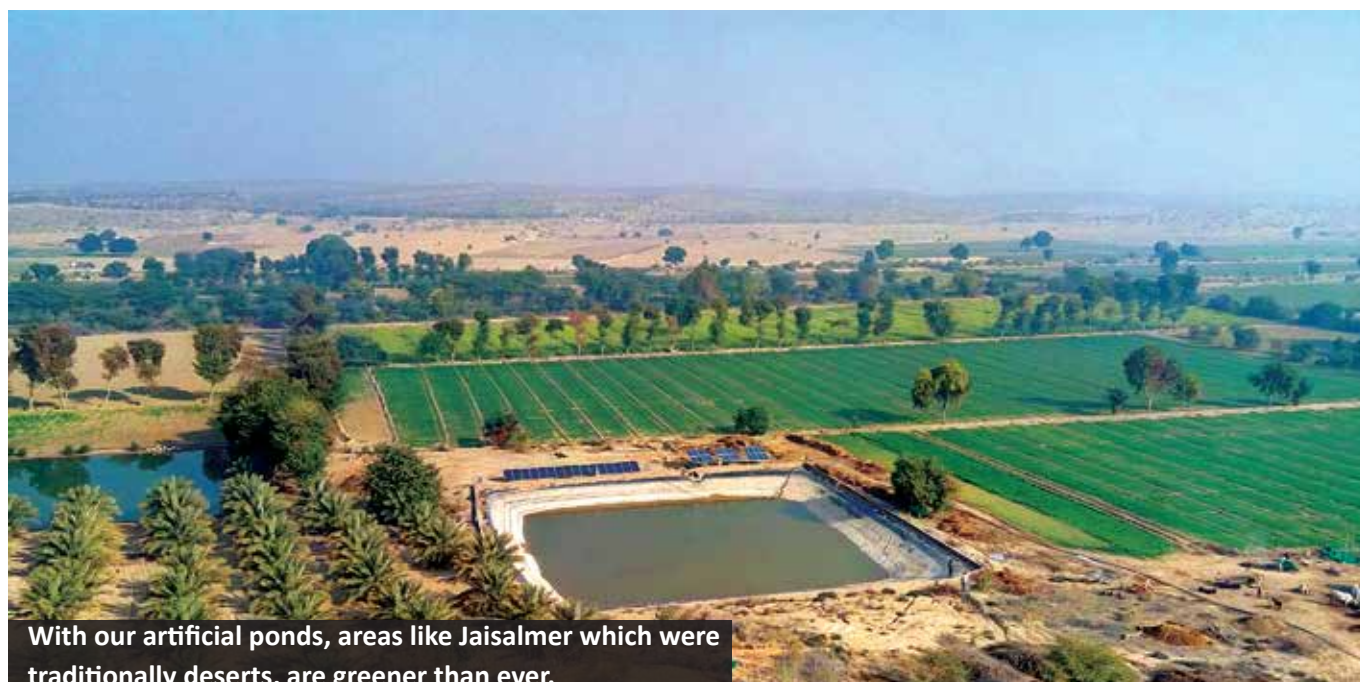
Queries on Annual Report and dividend be addressed to Secretarial Department, Emmbi Industries Limited, Valecha Chambers, 3rd Floor, Opp. Infiniti Mall, Andheri New Link Road, Andheri (West), Mumbai 400 053.

- Designated email id for investors: investor.grievances@emmbi.com
- Company Identification Number (CIN): L17120DN1994PLC000387 and International Securities Identification Number ISIN: INE753K01015

Date : 29th May, 2018

Place: Mumbai

For and on behalf of the Board of Directors  
**EMIMBI INDUSTRIES LIMITED**  
**Makrand Appalwar**  
**Chairman**  
**DIN: 00171950**



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# Corporate Governance Certificate



**T**he Members,  
Emmbi Industries Limited

We have examined the compliance of conditions of corporate governance by Emmbi Industries Limited for the year ended 31st March, 2018 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was carried out and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, and based on the representations made by Directors and the Management, we certify that the Company has complied with the conditions as contained in the Listing Agreement with the Stock Exchange except as per Regulation 18(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration committee is not properly constituted, the Company fall short of One Director in the aforesaid committee and consequently as per Regulation 18(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company fall short of one Independent director for the period from 9th October 2017 to 31st March 2018.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

For SANJAY DHOLAKIA & ASSOCIATES

Practising Company Secretary  
Sanjay Dholakia  
Proprietor

Place: Mumbai  
Date: 29th May, 2018



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temperature controlled  
environment for  
Clean Bag Making.**

# Certifications and Declarations



## **Certification by the Managing Director and CFO**

To,  
The Board of Directors,  
Emmbi Industries Limited

Dear Sirs,

We hereby certify that -

- (a) we have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2018, and that to the best of our knowledge and belief:
  - (i) These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We hereby certify that
  - (i) there have been no significant changes in internal control over financial reporting during the year;
  - (ii) there have been no significant changes in accounting policies during the year; and
  - (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Emmbi Industries Limited  
Makrand Appalwar  
Chairman and Managing Director  
DIN: 00171950

For Emmbi Industries Limited  
Rinku Appalwar  
Chief Financial Officer  
DIN: 00171976

Place: Mumbai  
Date: 29th May, 2018

## **Declaration Regarding Code of Conduct**

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company for the year ended 31 March, 2018.

Place: Mumbai  
Date: 29th May, 2018

Makrand Appalwar  
Chairman and Managing Director  
DIN: 00171950



# Independent Auditor's Report



**T** O THE MEMBERS OF  
EMMBI INDUSTRIES LIMITED

## Report on the Financial Statements

We have audited the accompanying financial statements of EMMBI INDUSTRIES LIMITED, ("the Company") which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss(including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information(hereafter referred to as Ind AS Financial statements")

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting fraud 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

## Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We are also responsible to conclude on the appropriateness of management's use of 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;



(b) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date, and

(c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

#### Other Matter

Corresponding figures for the year ended 31st March, 2017 have been audited by another auditor who expressed unmodified opinion dated 20th May, 2017 on the financial statements of the company for the year ended 31st March, 2017.

Our opinion on the Ind AS financial statements is not modified in respect of the above matter.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "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 purpose of our Audit.
  - b) In our opinion, proper books of accounts as required by law, have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the Books of Account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e) During the period under audit, Mr. Sanjay Rath (Din: 00022432), Non-executive Independent director became disqualified under section 164(2) of the Companies Act, 2013 and has stepped down from the post of Directorship of the company w.e.f. 9th October 2017.
  - f) With respect to the adequacy of the Internal Financial Controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us;
    - i. The Company has disclosed its pending litigations in its Ind AS financial statements as referred to in Note 28 to the Ind AS financial statements.
    - ii. The Company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For R DALIYA & ASSOCIATES  
Chartered Accountants  
FRN : 102060W

Place : Mumbai

Date: 29th May, 2018

K. Daliya (Partner)  
Membership No. 166874



# Annexures to the Independent Auditor's Report



## Annexure A to the Independent Auditors' Report

(Referred to in Paragraph 1 of the Report on Other Legal and Regulatory Requirements' in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.  
(b) As explained to us, fixed assets have been physically verified by the management during the year at regular intervals and no material discrepancies were noticed on such verification.  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of Immovable Properties, as disclosed in Note 5 on Fixed Assets to the Ind AS financial statements, are held in the name of the Company.  
In respect of immovable properties been taken on lease and disclosed as property, plant and equipment in the Ind AS financial statements, the lease agreements are in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals. No material discrepancies were noticed on physical verification.
- (iii) As informed to us, during the year the Company has not granted any loans, secured or unsecured to companies, firms, or other parties covered in the register maintained under Section 189 of the Act. The company has granted loan to Limited Liability Partnership, the terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest. Details of the same have been mentioned in Note 40 of the Ind AS Financial statements.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- (v) The company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Companies Act, 2013, any other relevant provisions of the Act and the rules framed there under to the extent notified.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
- (vii) (a) According to the records, information and explanation provided to us, the company is regular in depositing with appropriate authorities undisputed amount of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Value Added Tax, Service Tax, Goods and Service Tax, Cess and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.  
(b) According to the information and explanation given to us and as per our verification of records of the company, the disputed amounts of Income Tax which are not deposited with appropriate authorities as at 31st March, 2018 are as follows:  
Amount is due under Income Tax Act, 1961 as Income Tax amounting ₹ 3,90,05,030/-for the period 01.04.2010 to 31.03.2011 which is reduced by ITAT to ₹ 58,50,760/-.  
Appeal with H'ble Bombay High Court will be preferred for the remaining part. Amount is due under Income Tax Act, 1961 as Income Tax Penalty amounting ₹ 39,47,758/-for the A.Y.: 2011-2012 which is pending with CIT Appeal.
- (viii) Based on our audit procedures and on the information and explanation given to us, the company has not defaulted in repayment of dues or borrowings to any financial institution or bank or Government or dues to Debenture holders as at the balance sheet date.
- (ix) The company has not raised any money by way of initial public offer, further public offer (including debt instruments), money raised by term loans have been applied by the company during the year for the purpose for which those are raised.
- (x) To the best of our knowledge and accordingly to the information and explanations given, no material fraud by the company or on the company by its officers has been noticed or reported during the course of our audit.
- (xi) The Company has paid / provided for Managerial Remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

- (xii) According to the information and explanations given to us, in our opinion, the company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with section Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 42 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to information and explanation given to us, the Company has not entered into any Non Cash Transactions with the Directors or person connected with him, during the year. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For R DALIYA & ASSOCIATES  
Chartered Accountants  
FRN : 102060W

Place : Mumbai

Date: 29th May, 2018

K. Daliya (Partner)  
Membership No. 166874

## **Annexure - B**

(Referred to in Paragraph 2(f) of the Report on Other Legal and Regulatory Requirements' in our report 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")

1. We have audited the internal financial controls over financial reporting of Emmbi Industries Ltd. ("the Company") as of 31 March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on internal controls over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, 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 ("the Act").

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with the 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.
4. 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 judgment, including the assessment of the risk of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. 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 control system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

6. A company's internal financial controls 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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**

7. 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 controls 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, 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 31 March 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial reporting issued by ICAI.

For R DALIYA & ASSOCIATES  
Chartered Accountants  
FRN : 102060W

Place : Mumbai

K. Daliya (Partner)  
Membership No. 166874

Date: 29th May, 2018



**I have a 4,100 sqm large pond, built with the help of Emmbi Jalasanchay pond liner. Being a teacher, I am especially selective about quality. After studying innumerable liners, I chose Emmbi Jalasanchay for its quality and service.**

— Raju Patil  
Post Pahur, Tal. Jamner  
Dist. Jalgaon

**Benefits**

- Assurity of Water
- More Land under irrigation
- Change in Crop Pattern
- Multiple Crop rotation in a year
- Good yield due to water availability
- Fish farming as an additional income source

## Balance Sheet as at 31 March, 2018

PARTICULARS	NOTES	AS AT 31 MARCH, 2018 (₹ IN MILLION)	AS AT 31 MARCH, 2017 (₹ IN MILLION)	AS AT 31 MARCH, 2016 (₹ IN MILLION)
<b>A ASSETS</b>				
<b>1.Non-Current Assets</b>				
(a) Property, Plant & Equipment	5	1,001.84	766.43	589.07
(b) Capital Work In Progress	5	36.48	54.57	8.03
(c) Intangible Assets	5	66.49	35.36	28.97
(d) Financial Assets				
a) Investments	6	0.23	0.13	0.13
b) Loans	7	1.16	-	-
c) Other Financial Assets	8	6.62	4.97	4.42
Deferred tax Asset - MAT Credit Entitlement	9	30.83	14.49	5.99
Income Tax Asset	10	54.95	37.91	39.87
Other Non-Current Assets	11	0.64	0.71	-
Sub Total - Non Current Assets		1,199.24	914.57	676.47
<b>2. Current Assets</b>				
Inventories	12	696.55	632.87	570.00
Financial Assets				
(a) Trade receivables	13	370.49	383.24	320.75
(b) Cash & Cash Equivalent	14	25.62	2.93	9.14
(c) Bank balances other than b) above	15	11.27	0.89	0.68
Other Current Assets	16	180.57	65.89	66.89
Sub Total - Current Assets		1,284.51	1,085.83	967.46
<b>TOTAL ASSETS</b>		<b>2,483.74</b>	<b>2,000.40</b>	<b>1,643.92</b>
<b>B EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
(a) Equity Share Capital	17	176.90	176.90	176.90
(b) Other Equity	18	805.46	667.60	556.22
Sub Total - Share Holders' Fund		982.37	844.51	733.12
<b>2. Non-Current Liabilities</b>				
Financial Liabilities				
(a) Borrowings	19	381.24	151.50	52.24
Other Non Current Liabilities	20	73.36	-	-
Employee Benefit Provisions	21	9.77	5.59	2.30
Deferred Tax Liabilities	22	74.83	66.31	57.32
Liabilities for Income Tax	23	118.92	74.92	67.81
Sub Total - Non Current Liabilities		658.12	298.32	179.67
<b>3. Current Liabilities</b>				
Financial Liabilities				
(a) Borrowings	24	518.68	595.21	538.63
(b) Trade Payables	25	240.72	213.48	152.18
(c) Other Financial Liabilities	26	83.85	47.07	39.74
Provisions	27	-	1.79	0.59
Sub Total - Current Liabilities		843.25	857.57	731.14
<b>TOTAL LIABILITIES</b>		<b>2,483.74</b>	<b>2,000.40</b>	<b>1,643.92</b>

Significant Accounting Policies  
and Notes on Financial Statements

1 to 45

As per our report of even date  
For R. Daliya & Associates  
Chartered Accountants  
FRN : 102060W

K. Daliya (Partner)  
Membership No. 166874  
Place : Mumbai  
Date: 29th May, 2018

Kaushal Patvi  
Company Secretary

For and On behalf of the Board  
For EMMBI INDUSTRIES LIMITED,

Makrand Appalwar  
(Managing Director)

Rinku Appalwar  
(CFO & Director)



# Statement of Profit and Loss for the year ended 31 March, 2018

PARTICULARS	NOTES	AS AT 31 MARCH, 2018 (₹ IN MILLION)	AS AT 31 MARCH, 2017 (₹ IN MILLION)
<b>INCOME</b>			
Revenue from Operations	29	2,789.83	2,409.89
Less : GST recovered		207.21	-
<b>Revenue from Operations (Net)</b>		<b>2,582.62</b>	<b>2,409.89</b>
Other Income	30	1.08	0.90
<b>Total Revenue (I)</b>		<b>2,583.69</b>	<b>2,410.79</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	31	1,461.12	1,298.71
Purchase of Stock-in-Trade	32	214.39	282.77
Changes in Inventories of Finished Goods and Stock-in-Process	33	24.02	(21.85)
Excise Duty		37.87	119.19
Employees Benefits Expense	34	120.11	73.69
Finance Costs	35	94.75	82.65
Depreciation and Amortization Expense	36	53.07	41.66
Other Expenses	37	373.22	361.75
<b>Total Expenses (II)</b>		<b>2,378.55</b>	<b>2,238.58</b>
<b>Profit before Tax</b>		<b>205.14</b>	<b>172.21</b>
Tax Expenses			
(1) Current Tax		44.00	37.38
(2) Tax for earlier years		-	1.50
(3) Deferred Tax Liability		8.52	8.98
<b>Profit for the Year</b>		<b>152.62</b>	<b>124.35</b>
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Plans		(4.11)	(2.30)
		<b>(4.11)</b>	<b>(2.30)</b>
<b>Total Comprehensive Income</b>		<b>148.50</b>	<b>122.05</b>
<b>Earning Per Equity Share (₹)</b>			
(1) Basic (of ₹ 10/- each)	38	8.63	7.03
(2) Diluted (of ₹ 10/- each)	38	8.63	7.03
Significant Accounting Policies and Notes on Financial Statements			

As per our report of even date  
For R. Daliya & Associates  
Chartered Accountants  
FRN : 102060W

K. Daliya (Partner)  
Membership No. 166874  
Place : Mumbai  
Date: 29th May, 2018

Kaushal Patvi  
Company Secretary

For and On behalf of the Board  
For EMMBI INDUSTRIES LIMITED,

Makrand Appalwar  
(Managing Director)

Rinku Appalwar  
(CFO & Director)

# Statement of changes in equity for the year ended 31st March, 2018

A. SHARE CAPITAL	NOTES	NO OF SHARES	₹ IN MILLION
Equity Shares of ₹ 10 each issued, subscribed and fully paid:			
Balance as on April 1, 2016	17	17.69	176.90
Balance as on March 31, 2017	17	17.69	176.90
Balance as on March 31, 2018	17	17.69	176.90

B. OTHER EQUITY PARTICULARS	SECURITIES PREMIUM AMOUNT	RETAINED EARNINGS	TOTAL
<b>Balance on April 1, 2016</b>	<b>272.65</b>	<b>283.57</b>	<b>556.22</b>
Profits for the year 2016-17	-	124.35	124.35
Dividend paid for FY 2015-16	-	(8.85)	(8.85)
Dividend Distribution Tax on above	-	(1.80)	(1.80)
Dividend Distribution Tax on Earlier Year	-	(0.02)	(0.02)
Other Comprehensive Income / (Loss) for the year -	-	(2.30)	(2.30)
<b>Balance at the end of the reporting period March 31, 2017 as per Ind AS</b>	<b>272.65</b>	<b>394.96</b>	<b>667.60</b>
Profits for the year 2017-18	-	152.62	152.62
Dividend paid for FY 2016-17	-	(8.85)	(8.85)
Dividend Distribution Tax on above	-	(1.80)	(1.80)
Other Comprehensive Income / (Loss) for the year -	-	(4.11)	(4.11)
<b>Balance at the end of the reporting period March 31, 2018 as per Ind AS</b>	<b>272.65</b>	<b>532.82</b>	<b>805.46</b>

As per our report of even date  
For R. Daliya & Associates  
Chartered Accountants  
FRN : 102060W

K. Daliya (Partner)  
Membership No. 166874  
Place : Mumbai  
Date: 29th May, 2018

Kaushal Patvi  
Company Secretary

For and On behalf of the Board  
For EMMBI INDUSTRIES LIMITED,

Makrand Appalwar  
(Managing Director)

Rinku Appalwar  
(CFO & Director)



## Asbestos Removal Range

Used for asbestos containment, when cleaning up during and after asbestos removal.

# Cash Flow Statement for the year ended 31 March, 2018

PARTICULARS	2017-18		2016-17	
	₹ IN MILLION	₹ IN MILLION	₹ IN MILLION	₹ IN MILLION
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit Before Tax		205.14		172.21
Depreciation & Amortisation	53.07		41.66	
Finance Cost	94.75		82.65	
Sundry Balances Written off	2.66		(0.09)	
Provision For Gratuity	0.07		0.99	
Provision for Excise Duty	(1.79)		1.20	
Interest Received on Bank FD	(0.67)		(0.80)	
Dividend Received	-		(0.00)	
Rent received	(0.08)		(0.08)	
(Profit)/ Loss on Sale of Asset	(0.04)		0.75	
		147.96		126.29
<b>Operating Profit Before Working Capital Changes</b>		<b>353.10</b>		<b>298.50</b>
Adjustments for Working Capital Changes:				
Trade Payables and Other Current Liabilities	34.44		62.62	
Inventories	(63.68)		(62.88)	
Trade Receivables	10.09		(62.40)	
Short Term Loans & Advances		(19.15)		(62.66)
<b>CASH FLOW FROM OPERATIONS</b>		<b>333.95</b>		<b>235.84</b>
Taxes Paid (Net)		(33.38)		(38.29)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>		<b>300.57</b>		<b>197.55</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets and additions in CWIP	(301.67)		(273.79)	
Investment in LLP	(0.10)		-	
Sale Of Fixed Asse	0.19		1.07	
Movement in Loans and Advances	(0.98)		(1.37)	
Purchase of Term Deposits	(10.91)		(0.07)	
Interest Received on Bank FD	0.67		0.80	
Dividend Received	-		0.00	
Rent received	0.08		0.08	
<b>NET CASH (USED IN) INVESTING ACTIVITIES (B)</b>		<b>(312.72)</b>		<b>(273.28)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds / (Repayment) from Long Term Borrowing	229.74		155.85	
Proceeds / (Repayment) from Short Term Borrowing	29.52		5.99	
(Increase)/decrease in Working Capital Borrowings	(191.22)		0.99	
Long Term Advances	73.36		-	
Loan to Subsidiary & LLP	(1.16)		-	
Interest paid on Loan	(94.75)		(82.65)	
Dividend Paid (Including Dividend Distribution tax)	(10.65)		(10.67)	
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES (C)</b>		<b>34.84</b>		<b>69.52</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>22.69</b>		<b>(6.22)</b>
Cash & Cash Equivalent at the beginning of the Year		2.93		9.14
Cash & Cash Equivalent at the end of the Year		25.62		2.93
<b>Cash &amp; Cash Equivalents</b>				
Cash on Hand		4.80		2.03
Balances with banks in Current account		20.82		0.90
<b>TOTAL</b>		<b>25.62</b>		<b>2.93</b>

1. This statement is prepared as per Ind AS-7 (Indirect Method) and 2. Previous Year's figures were re-grouped wherever necessary.

As per our report of even date  
For R. Daliya & Associates  
Chartered Accountants  
FRN : 102060W

K. Daliya (Partner)  
Membership No. 166874  
Place : Mumbai  
Date: 29th May, 2018

Kaushal Patvi  
Company Secretary

For and On behalf of the Board  
For EMMBI INDUSTRIES LIMITED,

Makrand Appalwar  
(Managing Director)

Rinku Appalwar  
(CFO & Director)

# Notes Forming Part of the Standalone Financial Statements

## For The Year Ended On March 31, 2018

### NOTE: 1 COMPANY OVERVIEW

EMMBI INDUSTRIES LIMITED ("Emmbi" or "The Company") is a public limited company incorporated and domiciled in India and has its registered office at Silvassa, India. The Company has its primary listings on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The financials were authorized for issuance by the company's board of directors and audit committee on May 29, 2018. The principal activities of the Company comprises of Manufacturing and Trading of HDPE & PP - Woven Polymer Based Products.

### NOTE: 2 BASIS OF PREPARATION AND MEASUREMENT

#### 2.1 Statement of Compliance

The Financial statements as at the end for the year ended March 31, 2018 have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendments Rules, 2016.

For all the periods up to and including the year ended March 31, 2017, the company prepared its financial statements in accordance with requirement of previous GAAP, which includes accounting standards notified under the section 133 of the Companies Act, 2013 read together with Companies (Accounting Standards) Rules, 2016. The date of transition to Ind AS is April 1, 2016. These financial statements for the year ended March 31, 2018 are company's first Ind AS financial statements. The disclosure relating to Ind AS 101, First – time adoption of Indian Accounting Standards have been given in Note no 4.

#### 2.2 Accounting Convention and Basis of Measurement

The financial statements have been prepared on the historical cost convention and on an accrual basis, except the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Certain financial assets measured at fair value ( refer accounting policy on financial instruments)
- ii. Defined benefit and other long – term employee benefits.

#### 2.3 Functional and presentation currency

The financial statements are presented in India rupees, which is the functional currency of the company and the currency of the primary economic environment in which the company operates. All financial information presented in Indian ₹ has been rounded to the nearest million of ₹ except share and per share data.

#### 2.4 Use of Judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses and the disclosure of contingent liabilities and contingent assets. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions in respect of following areas, that have most significant effect to the carrying amounts within the next financial year are included in the relevant notes.

- i. Useful Lives of property, plant and equipment and intangibles.
- ii. Measurement of defined benefit obligations.
- iii. Measurements and likelihood of occurrence of provisions and contingencies.
- iv. Recognition of deferred tax assets.

#### 2.5 Operating Cycle:

Based on the nature of products / activities of the company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### NOTE: 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Property, Plant and Equipment (PPE)

- i. Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.
- ii. The cost of property, plant and equipment includes those incurred directly for the construction or acquisition of the assets, and directly attributable to bringing it to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- iii. The cost of major spares is recognised in the carrying amount of the item of property, plant and equipment, in accordance with the

recognition criteria set out in the standard. The carrying amount of the replaced part is derecognized at the time of actual replacement. The costs of day-to-day servicing of the item are recognised in statement of profit and loss as incurred.

- iv. Depreciation on tangible assets including those on leasehold premises is provided under straight line method over the useful life of assets specified in Part C of Schedule II to the Companies At, 2013 and in the manner specified therein, except in respect of dies and moulds which are depreciated over their technically estimated useful lives on straight line method.
- v. Depreciation methods, useful lives and residual values are reviewed at each reporting date and accounted as change in accounting estimate.
- vi. Each component / part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately only when it has a different useful life. The gain or loss arising from the de-recognition of an item or property, plant and equipment is included in statement of profit or loss when the item is derecognized.
- vii. Expenditure attributable / relating to PPE under construction / erection is accounted as below:
  - A. To the extent directly identifiable to any specific plant /unit, trial run expenditure net of revenue is included in the cost of property, plant and equipment.
  - B. To the extent work not completed to any specific plant /unit, is grouped under 'capital work-in-progress'.

### 3.2 Intangible Assets

- i. Intangible asset is recognised when it is probable that future economic benefits are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.
- ii. Acquired Brand and Knowledge Development Cost is recognized as intangible asset upon completion of development and commencement of commercial production.
- iii. Intangibles asset are amortized on straight line method over their technically estimated useful lives.
- iv. Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates.

### 3.3 Assets taken under lease

- i. Cost of acquisition of leasehold land is amortized over leasehold period.

### 3.4 Investments in Subsidiary Company

- i. Investment in subsidiary company is measured at fair value through Profit & Loss.

### 3.5 Inventories are valued as under:

I) Raw materials, components, consumables and stores and spares	Cost or net realisable value, whichever is lower.
II) Work in progress and finished goods of conversion and other costs incurred in bringing them to the present location and condition, whichever is lower	Net realisable value or cost of materials plus cost
III) Consumable Spares	Cost or net realisable value, whichever is lower.

### 3.6 Revenue recognitions

- i. Revenue on sale of goods is recognised when significant risks and rewards of ownership and effective control on goods have been transferred to the buyer. Sales revenue is measured at fair value net of returns, trade discounts and volume rebates, inclusive of excise duty.
- ii. Claims against outside agencies are accounted on certainty of realization.

### 3.7 Employee Benefits

- i) Short term benefits:  
All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits. The cost of the benefits like salaries, wages, medical, leave travel assistance, short term compensated absences, bonus, exgratia, etc. is recognised in the period in which the employee renders the related service.
- ii) Post Employment benefits:
  - A) Defined contribution plans:  
The contribution paid/ payable under provident fund scheme, ESI, scheme and employee pension scheme is recognised as expenditure in the period in which the employee renders the related service.
  - B) Defined benefit plans:  
The company's obligation towards gratuity is a benefit plan. The present value of the estimated future cash flows of the obligation under such plan is determined based on actuarial valuation using the projected unit credit method. Any difference between the interest income on plan assets and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experienced adjustments within the plan are recognised immediately in other comprehensive income and subsequently not reclassified to the statement of profit and loss.

### 3.8 Foreign currency transactions

- i. Transactions relating to non-monetary items and sale of goods/ services denominated in foreign currency are recorded at the exchange rate prevailing or a rate that approximates the actual rate on the date of transactions.
- ii. Assets and liabilities in the nature of monetary items denominated in foreign currency are restated at prevailing exchange rate as at the end of the reporting period.
- iii. Exchange differences arising on account of settlement/conversion of foreign currency monetary items are recognised as expense or income in the period in which they arise.



### 3.9 Current Tax and Deferred Tax

#### i) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### ii) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profits differ as reported in the statement of profit and loss because of items of income and expense that are taxable or deductible in other years and items that are never taxable or deductible.

The company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### iii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all temporary differences to the extent that it is possible that taxable profits will be available against those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### Minimum Alternate Tax

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 3.10 Borrowing Costs

- i. Borrowing costs incurred for obtaining assets which take substantial period to get ready for their intended use are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other case by applying weighted average cost of borrowings to the expenditure on such assets. Post the commercial production or trial run, borrowing cost will be treated as expense for the year.
- ii. Other borrowing costs are treated as expense for the year.

### 3.11 Financial instruments (Financial assets and financial liabilities)

- i. All financial instruments are recognised initially at fair value. The classification of financial of financial instruments depends on the objective of the business model for which it is held and the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. For the purpose of subsequent measurement, financial instruments of the company are classified into (a) Non-Derivative financial instruments and (b) Derivative financial instruments.
- ii. Financial instruments.
  - A) Security deposits, cash and cash equivalents, employee and other advances, trade receivables and eligible current and non-current financial assets are classified as financial assets under this clause.
  - B) Loans and borrowings, trade and other payables including deposits collected from various parties and eligible current and non-current financial liabilities are classified as financial liabilities under this clause.
  - C) Financial instruments are subsequently carried at amortized cost wherever applicable using effective interest rate method (EIR) less impairment loss.
  - D) Transaction cost that are attributable financial recognized at amortized cost are included in the fair value of such instruments.
  - E) Investments in equity shares, including investment in subsidiary company, are measured at fair value through profit and loss as permitted by Ind AS 27 read with Ind AS 109.

### 3.12 Impairment

#### i. Financial Assets

- A) The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure.
  - Financial assets that are debt instruments, and are measured at amortized cost wherever applicable for e.g. loans, debt securities, deposits, and bank balance.
  - Trade Receivables
- B) The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### ii. Non-financial Assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial asset is impaired. If any such indication exists, the company estimates the amount of impairment loss.

### 3.13 Provisions

- i. Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
- ii. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risk and uncertainties surrounding the obligation.
- iii. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount if the receivable can be measured reliably.

### 3.14 Earnings per share (EPS)

- i. Basic EPS is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year/ period.
- ii. Diluted EPS is computed by dividing the profit after tax, as adjusted for dividend, interest and other charges to expenses or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic EPS and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

### 3.15 Accounting Pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 115, 'Revenue from contracts with customers' and amendments to other Ind AS standards. The amendments are applicable to the Company from April 1, 2018. The Management is in the process of assessing the impact of these amendments/ new standard.

#### NOTE: 4 FIRST TIME ADOPTION OF IND AS

4.1 These financial statements of Emmbi Industries Limited for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the purpose of transition to Ind AS, the company has followed the guidance prescribed in Ind AS 101-first time adoption of Indian Accounting Standard, with April 1, 2016 as the transition date and IGAAP as the previous GAAP.

4.2 The Transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the company's balance sheet, statement of profit and loss, is set out in note 4.4. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 4.3.

#### 4.3 Exemptions availed on first time adoption of Ind –AS 101

Ind AS 101 allows first –time adopters certain exemptions from the retrospective application of certain requirements under Ind AS and exemptions from other Ind AS. The company has accordingly applied the following exemptions.

##### 1. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for Impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

##### 2. De-recognition of financial assets and liabilities.

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition "requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

##### 3. Classification and measurement of financial assets.

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



*Poultry Farmers know that their eggs hatch better under warm conditions. A simple, yet effective means of maintaining warmth and improving yield is Emmbi's new Poultry Curtain.*

**NOTE 4.4 : RECONCILIATION WITH PREVIOUS GAAP****(₹ IN MILLION )**

A)		Reconciliation of total equity as at March 31, 2017 and April 1, 2016	
	<b>Description</b>	<b>March 31, 2017</b>	<b>April 1, 2016</b>
	Total equity as per previous GAAP	856.85	729.58
	<b>Ind AS Adjustments [Increase / (decrease in equity)]</b>		
1	Adjustment due to Fair Valuation/Deemed Cost of Investments		
	Global Bags SRO	(2.87)	(2.87)
	Emmbi Scandanavia	(6.74)	(3.79)
	Other Comprehensive Income for the year	(2.30)	-
	Reversal of Proposed Dividend (Incl. DDT)- March 2016	-	10.65
	Adjustment on account of ECL Provision	(0.43)	(0.43)
	Others	(0.00)	(0.01)
	<b>Total Ind AS adjustments</b>	<b>(12.34)</b>	<b>3.54</b>
	<b>Total Equity as per Ind AS</b>	<b>844.51</b>	<b>733.12</b>
B)		Reconciliation of total comprehensive income for the year ended March 31, 2017 (₹ IN MILLION )	
	<b>Description</b>	<b>March 31, 2017</b>	
	Net Profit after tax as per previous GAAP	127.28	
	<b>Ind AS Adjustments [Increase/ (decrease) in profits]</b>		
1	Fair Valuation of Investments		(2.95)
2	Others		0.01
	<b>Net Profit after tax as per Ind AS</b>		<b>124.35</b>
	<b>Other Comprehensive Income (net of taxes)</b>		
1	Remeasurement of defined benefit obligations recognized in OCI		(2.30)
	Total Other Comprehensive Income		(2.30)
	<b>Total Comprehensive Income as per Ind AS</b>		<b>122.05</b>

**Material Adjustments to Statement of Cash flows**

No material adjustments have been identified to the Statement of Cash flows on account of transition to Indian Accounting Standards.

**Recognition of Mark to market gains**

Under the previous GAAP, investments were measured at cost. Under Ind AS, investments are measured at fair value.

**Deferred tax**

Deferred taxes have been recognised on the adjustments made on transition to Ind AS.



*Check Dams (L) are temporary dams constructed across a drainage ditch, or waterway to counteract erosion by reducing the velocity of water flow. They are easy to install and cost effective.*

*UN Certified Disposal Bags (R) are used to dispose of hazardous cargo covered under various UN groups. Emmbi provides a range of customized bags based on product requirements.*



*Container Liners (R) are easy, cost-effective solutions for quick storage and easy transport of bulk material, best used in construction sites, removal of hazardous material etc. Emmbi provides customized sizes and printing for our Liners.*



*Jumbo Bags (L) offer a simple and cost effective means to transport bulk cargo.*



*Planter Bags (above right) find applications in the horticulture and landscaping industry.*

**Note 5 PROPERTY, PLANT AND EQUIPMENT**
**For the year ended 31 March, 2018**
**(₹ IN MILLION)**

Sr. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTIZATION					NET BLOCK	
		As at 01-04-17	Addns	Transfers	Adjustmnts/ Disposals	As at 31-03-18	As at 01-04-17	For the yr	Transfers	Adjustmnts/ Disposals	As at 31-03-18	As at 31-03-18	as at 31-03-17
5.A TANGIBLE FIXED ASSETS													
1	Freehold Land	27.00	-	-	-	27.00	-	-	-	-	-	27.00	27.00
2	Leasehold Land	-	-	6.46	-	6.46	-	-	-	-	-	6.46	-
3	Building	295.63	75.95	48.11	-	419.69	38.70	9.93	-	-	48.63	371.06	256.92
4	Compound Wall	0.26	-	-	-	0.26	0.17	0.01	-	-	0.18	0.08	0.09
5	Plant and Machinery	481.38	83.86	-	(0.19)	565.05	122.77	23.18	-	(0.04)	145.91	419.14	358.61
6	Electrical Installation	11.62	2.22	-	-	13.84	4.38	0.49	-	-	4.88	8.97	7.24
7	Furniture & Fixtures	19.74	6.36	-	-	26.11	11.17	1.95	-	-	13.12	12.99	8.57
8	Crates	0.71	-	-	-	0.71	0.46	0.07	-	-	0.53	0.18	0.25
9	Office Equipment	22.40	5.20	-	-	27.59	10.07	2.31	-	-	12.38	15.21	12.32
10	Other Equipment	0.01	-	-	-	0.01	0.01	0.00	-	-	0.01	0.00	0.00
11	Vehicles	20.30	1.09	-	-	21.39	10.16	2.34	-	-	12.50	8.88	10.14
12	Plant and Machinery (R & D Equipment and Pilot Plant)	91.52	50.56	-	-	142.08	6.87	3.88	-	-	10.75	131.33	84.65
13	Computer ( for R & D)	0.93	-	-	-	0.93	0.30	0.10	-	-	0.39	0.53	0.63
(A)		971.50	225.24	54.57	(0.19)	1,251.12	205.07	44.25	-	(0.04)	249.29	1,001.84	766.43
5.B INTANGIBLE FIXED ASSETS													
	Acquired Brand & Knowledge Development Cost	47.07	39.94	-	-	87.01	11.71	8.81	-	-	20.52	66.49	35.36
(B)		47.07	39.94	-	-	87.01	11.71	8.81	-	-	20.52	66.49	35.36
5.C CAPITAL WIP													
	Building	54.57	36.48	(54.57)	-	36.48	-	-	-	-	-	36.48	54.57
(C)		54.57	36.48	(54.57)	-	36.48	-	-	-	-	-	36.48	54.57
TOTAL (A+B+C)		1,073.14	301.67	-	(0.19)	1,374.62	216.77	53.07	-	(0.04)	269.80	1,104.81	856.36

**Note 5 PROPERTY, PLANT AND EQUIPMENT**
**For the year ended 31 March, 2017**
**(₹ IN MILLION)**

Sr. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTIZATION					NET BLOCK	
		As at 01-04-16	Addns	Transfers	Adjustmts/ Disposals	As at 31-03-17	As at 01-04-16	For the yr	Transfers	Adjustmts/ Disposals	As at 31-03-17	As at 31-03-17	as at 31-03-16
5.A TANGIBLE FIXED ASSETS													
1	Freehold Land	27.00	-	-	-	27.00	-	-	-	-	-	27.00	27.00
2	Building	218.47	77.16	-	-	295.63	31.49	7.22	-	-	38.70	256.92	186.98
3	Compound Wall	0.26	-	-	-	0.26	0.16	0.01	-	-	0.17	0.09	0.10
4	Plant and Machinery	400.43	81.52	-	(0.57)	481.38	102.72	20.48	-	(0.43)	122.77	358.61	297.71
5	Electrical Installation	11.62	0.01	-	-	11.62	3.90	0.48	-	-	4.38	7.24	7.71
6	Furniture & Fixtures	17.87	1.87	-	-	19.74	8.66	2.52	-	-	11.17	8.57	9.22
7	Crates	0.71	-	-	-	0.71	0.40	0.07	-	-	0.46	0.25	0.31
8	Office Equipment	17.95	4.45	-	-	22.40	7.19	2.89	-	-	10.07	12.32	10.76
9	Other Equipment	0.01	-	-	-	0.01	0.01	0.00	-	-	0.01	0.00	0.00
10	Vehicles	22.52	3.30	-	(5.52)	20.30	11.92	2.08	-	(3.84)	10.16	10.14	10.60
11	Plant and Machinery (R & D Equipment and Pilot Plant)	44.78	46.74	-	-	91.52	6.42	0.45	-	-	6.87	84.65	38.36
12	Computer ( for R & D)	0.45	0.47	-	-	0.93	0.15	0.15	-	-	0.30	0.63	0.30
(A)		762.07	215.53	-	(6.09)	971.50	173.00	36.34	-	(4.27)	205.07	766.43	589.07
5.B INTANGIBLE FIXED ASSETS													
	Acquired Brand & Knowledge Development Cost	35.35	11.72	-	-	47.07	6.38	5.33	-	-	11.71	35.36	28.97
(B)		35.35	11.72	-	-	47.07	6.38	5.33	-	-	11.71	35.36	28.97
5.C CAPITAL WIP													
	Building	8.03	46.54	-	-	54.57	-	-	-	-	-	54.57	8.03
(C)		8.03	46.54	-	-	54.57	-	-	-	-	-	54.57	8.03
TOTAL (A+B+C)		805.44	273.79	-	(6.09)	1,073.14	179.38	41.66	-	(4.27)	216.77	856.36	626.06

		(₹ IN MILLION)		
Note 6	NON CURRENT INVESTMENTS	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	<b>Non-trade investments</b>			
	<i>Unquoted Equity Instruments (Fully paid up)</i>			
	2,500 Equity Shares of Zoroastrian Co-Op Bank Ltd. Of ₹ 40/- each	0.10	0.10	0.10
	2,500 Equity Shares of Saraswat Co-Op Bank Ltd. Of ₹ 10/- each	0.03	0.03	0.03
	25% Shares of Global Bag S.R.O.	0.00	0.00	0.00
	100% Shares of Emmbi Scandinavia – Wholly owned Subsidiary	0.00	0.00	0.00
	<i>Investment in LLP</i>			
	99.99% Investment in Emmbi Watcon LLP	0.10	-	-
	<b>TOTAL</b>	<b>0.23</b>	<b>0.13</b>	<b>0.13</b>

6.1	Investee Company	Principal Place of Business	Country of Incorporation	Proportion of ownership interest & voting rights
	<b>Subsidiary company</b>			
	Emmbi Scandinavia	Scandinavia	Scandinavia	100.00%
	<b>LLP</b>			
	Emmbi Watcon LLP	Mumbai	India	99.99%

		(₹ IN MILLION)		
Note 7	LOANS (NON CURRENT)	31.03.2018	As at 31.03.2017	As at 01.04.2016
	<b>Unsecured, Considered good</b>			
	Loan to related party - Emmbi Wacton LLP	1.16	-	-
	<b>TOTAL</b>	<b>1.16</b>	<b>-</b>	<b>-</b>

		(₹ IN MILLION)		
Note 8	OTHER FINANCIAL ASSETS (NON CURRENT)	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Security Deposits	5.50	4.44	3.78
	Bank Deposits (With more than twelve months maturity)			
	Term Deposits	1.12	0.52	0.63
	<b>TOTAL</b>	<b>6.62</b>	<b>4.97</b>	<b>4.42</b>

		(₹ IN MILLION)		
Note 9	DEFERRED TAX ASSET - MAT CREDIT ENTITLEMENT (NON CURRENT)	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	MAT Credit Entitlement	30.83	14.49	5.99
	<b>TOTAL</b>	<b>30.83</b>	<b>14.49</b>	<b>5.99</b>

		(₹ IN MILLION)		
Note 10	INCOME TAX ASSETS (NON CURRENT)	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Advance payment of Income Tax	54.95	37.91	39.87
	<b>TOTAL</b>	<b>54.95</b>	<b>37.91</b>	<b>39.87</b>

		(₹ IN MILLION)		
Note 11	OTHER NON CURRENT ASSETS	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Prepaid Rental	0.64	0.71	-
	<b>TOTAL</b>	<b>0.64</b>	<b>0.71</b>	<b>-</b>

		(₹ IN MILLION)		
Note 12	INVENTORIES	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Raw Materials	199.80	116.94	85.29
	Stock-in-Process	331.39	383.66	337.20
	Finished Goods	112.06	83.81	108.42
	Stores & Spares	53.30	48.46	39.08
	<b>TOTAL</b>	<b>696.55</b>	<b>632.87</b>	<b>570.00</b>



(₹ IN MILLION)						
Note 13	TRADE RECEIVABLES	As at 31.03.2018		As at 31.03.2017	As at 01.04.2016	
	Unsecured					
	Considered Good	370.49		383.24	320.75	
	Considered Doubtful	0.43		0.43	0.43	
	Allowance for Credit Losses	(0.43)		(0.43)	(0.43)	
	TOTAL	370.49		383.24	320.75	
(₹ IN MILLION)						
Note 14	CASH AND CASH EQUIVALENTS	As at 31.03.2018		As at 31.03.2017	As at 01.04.2016	
	Balances with banks					
	In Current Account	20.74		0.84	0.29	
	Cash on hand	4.80		2.03	1.72	
	Others:					
	Term deposits with Banks (maturity of less than three months)	0.08		0.06	7.13	
	TOTAL	25.62		2.93	9.14	
(₹ IN MILLION)						
Note 15	BANK BALANCE OTHER THAN ABOVE	As at 31.03.2018		As at 31.03.2017	As at 01.04.2016	
	Earmarked balances with Banks					
	Unclaimed Dividend A/c	0.39		0.34	0.30	
	Term Deposits (maturity of more than three months but less then twelve months)	10.88		0.56	0.38	
	TOTAL	11.27		0.89	0.68	
(₹ IN MILLION)						
Note 16	OTHER CURRENT ASSETS	As at 31.03.2018		As at 31.03.2017	As at 01.04.2016	
	Balance with Central Excise, Service Tax, GST and other Govt. Authorities	132.64		32.10	27.36	
	Prepaid Expenses	19.71		15.15	12.96	
	Capital Advances	3.07		3.99	1.03	
	Other Advances	25.15		14.65	25.53	
	TOTAL	180.57		65.89	66.89	
(₹ IN MILLION)						
Note 17	EQUITY SHARE CAPITAL	As at 31.03.2018		As at 31.03.2017	As at 01.04.2016	
	Authorised Share Capital					
	1,80,00,000 (PY. : 1,80,00,000) Equity shares of ₹ 10/- each.	180.00		180.00	180.00	
		180.00		180.00	180.00	
	Issued, Subscribed & Paid-up					
	1,76,90,250 Equity shares of ₹ 10/- each fully paid up	176.90		176.90	176.90	
	TOTAL	176.90		176.90	176.90	
17.1	The Reconciliation of the number of shares outstanding is set out below:	31.03.2018		As at 31.03.2017	As at 01.04.2016	
	Particulars	No. of Shares		No. of Shares	No. of Shares	
	Equity Shares at the beginning of the year	17.69		17.69	17.69	
	Equity Shares at the end of the year.	17.69		17.69	17.69	
(₹ IN MILLION)						
17.2	The Details of Shareholders Holding more than 5% Shares	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016
	Name of Shareholder	No. of Shares	% Held	No. of Shares	%Held	No. of Shares % Held
	Makrand Moreswar Appalwar	3.83	21.62%	3.82	21.62%	3.78 21.38%
	Rinku Makrand Appalwar	2.30	12.99%	2.30	12.98%	2.29 12.94%
	Maithili Appalwar	1.07	6.02%	1.07	6.02%	1.06 6.00%
	Emmbi Laboratories Pvt Ltd	1.66	9.40%	1.66	9.40%	1.66 9.37%
	Hidden Champions Fund	1.27	7.19%	0.18	1.02%	- 0.00%
	Maithili Agrotech Private Limited	1.06	6.00%	1.06	6.00%	1.06 5.99%

### 17.3 Terms / Rights attached to the Equity Shares

The company has only one class of equity shares having a par value of ₹ 10.00 per share (previous year ₹ 10.00 per share). Each holder of the equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

		(₹ IN MILLION)	
Note 18	OTHER EQUITY (REFER TO THE STATEMENTS OF CHANGES IN EQUITY)	As at 31.03.2018	As at 31.03.2017
	<b>(a) Securities Premium Reserves</b>		
	As per last Balance Sheet	272.65	272.65
		<b>272.65</b>	<b>272.65</b>
	<b>(b) Retained Earnings</b>		
	Balance as at the beginning of the year	394.96	283.57
	Add : Profit for the Year	152.62	124.35
	Add/Less : Other Comprehensive Income for the year	(4.11)	(2.30)
	Less : Dividend paid	(8.85)	(8.85)
	Less : Dividend Distribution Tax paid	(1.80)	(1.80)
	Less : Dividend Distribution Tax of Earlier Year	-	(0.02)
		<b>532.82</b>	<b>394.96</b>
	<b>TOTAL</b>	<b>805.46</b>	<b>667.60</b>

#### Securities Premium:

Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

#### Retained Earnings:

The Retained earnings of the Company are kept aside out of the Company's profits to meet future (known or unknown) obligations. Retained earnings is a free reserve which can be utilised for any purpose.

		(₹ IN MILLION)					
Note 19	BORROWINGS (NON CURRENT)	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
		Non Current	Current	Non Current	Current	Non Current	Current
	(a) Secured						
	Term Loans						
	- From Banks	381.24	68.22	99.25	18.76	13.85	20.76
	- From Corporates	-	-	-	-	-	-
	Other loans & advances						
	(b) Unsecured						
	Term Loans						
	- From Banks	-	-	-	-	-	-
	- From Corporates	-	-	52.26	19.94	38.39	11.95
	Other loans & advances						
	TOTAL	381.24	68.22	151.50	38.70	52.24	32.71

**19.1** Term Loans are secured by way of deposit of the title deeds in respect of immovable properties of the Company including Land & Building situated at Survey No. 191/2/4, Masat Village, Meghwad Road, U.T. of Dadra & Nagar Haveli, Silvassa - 396230, Survey No. 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa - 396230 and at Survey No. 87, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa - 396230, Survey No. 28A & 42, Masat Industrial Estate, U.T. of Dadra & Nagar Haveli, Silvassa - 396230 First pari passu charge on entire fixed assets of the company, present and future, with existing bankers and by way of Second pari passu charge on entire current assets of the company present and future with existing bankers.

**19.2** Other Loans and Advances are secured by way of hypothecation of Cars and Transport Vehicles purchased under Hire Purchase Scheme.

**19.3** There is no default in repayment of principal loan or interest thereon.

#### 19.4 Repayment Schedule

		(₹ IN MILLION)	
YEARS	Secured Loans	Unsecured Loans	
For 2018-19	68.22	-	
For 2019-20	72.07	-	
For 2020-21	71.26	-	
For 2021-22	70.59	-	
For 2022-23	70.30	-	
For 2023-24	59.81	-	
For 2024-25	37.20	-	

(₹ IN MILLION)

Note 20	OTHER NON CURRENT LIABILITIES	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Advance from Customers	73.36	-	-
	<b>TOTAL</b>	<b>73.36</b>	<b>-</b>	<b>-</b>

(₹ IN MILLION)

Note 21	EMPLOYEE BENEFIT PROVISIONS (NON CURRENT)	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Provision for Employee Benefits (Gratuity)	9.77	5.59	2.30
	<b>TOTAL</b>	<b>9.77</b>	<b>5.59</b>	<b>2.30</b>

(₹ IN MILLION)

Note 22	DEFERRED TAX LIABILITIES	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	The balance comprises of temporary differences attributable to :			
	Depreciation(Net)	74.83	66.31	57.32
	<b>TOTAL</b>	<b>74.83</b>	<b>66.31</b>	<b>57.32</b>

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

(₹ IN MILLION)

	MOVEMENT OF DEFERRED TAX LIABILITIES	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Opening Balance	66.31	57.32	49.60
	<b>Charged/(Credited)</b>			
	- to Profit or loss (depreciation)	8.52	8.98	7.73
	- to Other Comprehensive Income	-	-	-
	<b>TOTAL</b>	<b>74.83</b>	<b>66.31</b>	<b>57.32</b>

(₹ IN MILLION)

Note 23	PROVISIONS (NON CURRENT)	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Provision For Taxes	118.92	74.92	67.81
	<b>TOTAL</b>	<b>118.92</b>	<b>74.92</b>	<b>67.81</b>

(₹ IN MILLION)

Note 24	BORROWINGS (CURRENT)	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	<b>Loans repayable on demand</b>			
	From Banks			
	Secured (Refer Note 20.1)	518.68	595.21	538.63
	<b>TOTAL</b>	<b>518.68</b>	<b>595.21</b>	<b>538.63</b>

#### 24.1 Working Capital Loans :

Working Capital Loans are secured by way of First pari passu charge on entire current assets of the company, present and future, with existing bankers and by way of Second pari passu charge on entire fixed assets of the company, present and future, with the existing bankers - Punjab National Bank, ICICI Bank, Axis Bank.

(₹ IN MILLION)

Note 25	TRADE PAYABLES	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Dues to Micro Enterprises and Small Enterprises (MESE)	-	-	-
	Payables other than MESE	240.72	213.48	152.18
	<b>TOTAL</b>	<b>240.72</b>	<b>213.48</b>	<b>152.18</b>

(₹ IN MILLION)

Note 26	OTHER FINANCIAL LIABILITIES (CURRENT)	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Current maturities of long term debt (Refer Note : 19)	68.22	38.70	32.71
	Unpaid Dividends	0.39	0.34	0.30
	Others	15.24	8.04	6.73
	<b>TOTAL</b>	<b>83.85</b>	<b>47.07</b>	<b>39.74</b>

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013

(₹ IN MILLION)

Note 27	PROVISIONS (CURRENT)	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
	Others (Provision for Excise on Finished Goods)	-	1.79	0.59
	<b>TOTAL</b>	<b>-</b>	<b>1.79</b>	<b>0.59</b>

		(₹ IN MILLION)		
Note 28	CONTINGENT LIABILITIES AND COMMITMENTS	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
a)	Contingent liabilities not provided for Guarantees'			
	1. Guarantee by Banks to Electricity Department (Silvassa)	7.58	7.10	7.12
	2. Warranty against Sale of Retail Water Conservation products for 5 years	4.68	1.81	-
b)	Commitments			
	Estimated amount of contracts remaining to be executed			
	- On capital account (Net of Advances) and not provided for			
	- On account of Machinery	3.69	10.47	0.31
	- On account of Land and Building	-	-	26.91

c 1) The Income tax demand as per ITAT order for the A. Y. 2011-12 of ₹ 58,50,760/- is disputed for which appeal will be preferred to the H'ble Bombay High Court. Based on the decisions of the appellate authorities and the interpretation of other relevant provisions, the Company has been legally advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

c 2) Income tax penalty demand for A.Y. 2011-12 : ₹ 39,47,758/- for which appeal is pending with CIT Appeals, Mumbai. (Appeal filed in April 2017). Based on the decisions of the appellate authorities and the interpretation of other relevant provisions, the Company has been legally advised that the penalty demand raised is likely to be deleted, accordingly no provision is considered necessary.  
Future cash flows in respect of above, if any, is determinable only on receipt of judgement/ decisions pending with relevant authorities.

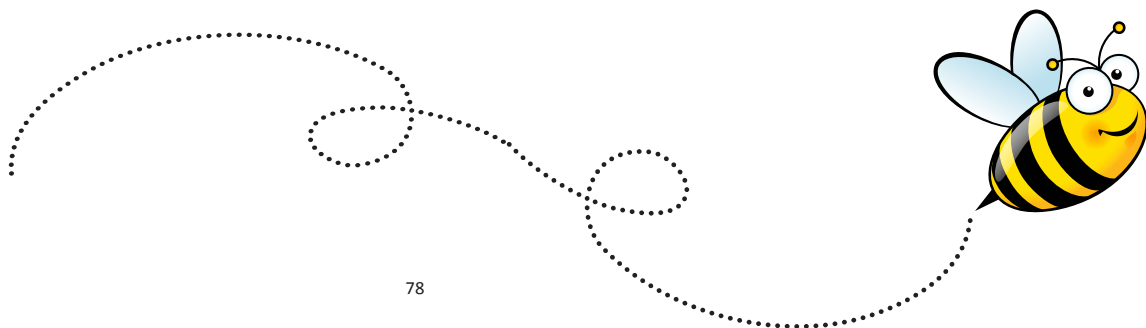
		(₹ IN MILLION)	
Note 29	REVENUE FROM OPERATIONS	2017-18	2016-17
	Revenue from - Sale of products		
	Export Sales	1,192.87	1,080.87
	Domestic Sales	1,596.96	1,329.03
		<b>2,789.83</b>	<b>2,409.89</b>
	Less : GST recovered	207.21	-
	<b>TOTAL</b>	<b>2,582.62</b>	<b>2,409.89</b>
<b>29.1</b>	<b>DETAILS OF SALE OF PRODUCTS</b>	<b>2017-18</b>	<b>2016-17</b>
	<b>Manufactured Goods</b>		
	Polymer Based Multiple Products	2,526.49	2,125.89
	<b>Traded Goods</b>	<b>263.34</b>	<b>284.00</b>
	<b>TOTAL</b>	<b>2,789.83</b>	<b>2,409.89</b>
<b>Note 30</b>	<b>OTHER INCOME</b>	<b>2017-18</b>	<b>2016-17</b>
	<b>Interest</b>		
	From Current Investments	0.50	0.59
	From Others	0.18	0.21
	<b>Dividend</b>		
	From Long Term Investment	-	0.00
	Other Non Operating Income	0.40	0.10
	<b>TOTAL</b>	<b>1.08</b>	<b>0.90</b>



#### 'UN' Certified FIBCs

Used for reliable transport of dangerous goods by sea, rail and land.

		(₹ IN MILLION)	
Note 31	COST OF MATERIAL CONSUMED	2017-18	2016-17
	<b>Raw Materials Consumed</b>		
	Opening Inventory	116.94	85.29
	Add : Purchases (Net)	1,543.97	1,330.36
		<b>1,660.91</b>	<b>1,415.65</b>
	Less : Closing Inventory	199.80	116.94
	<b>TOTAL</b>	<b>1,461.12</b>	<b>1,298.71</b>
(₹ IN MILLION)			
31.1	DETAILS OF INDIGENOUS AND IMPORTED RAW MATERIALS CONSUMED	2017-18	2016-17
		₹ % Consumption	₹ % Consumption
	Imported	27.67 1.89	24.33 1.87
	Indigenous	1,433.44 98.11	1,274.38 98.13
	<b>TOTAL</b>	<b>1,461.12 100.00</b>	<b>1,298.71 100.00</b>
(₹ IN MILLION)			
31.2	PARTICULARS OF MATERIAL CONSUMED	2017-18	2016-17
	Polymer Granules And Films Of Various Grades and Others	1,461.12	1,298.71
	<b>TOTAL</b>	<b>1,461.12</b>	<b>1,298.71</b>
(₹ IN MILLION)			
Note 32	PURCHASE OF STOCK-IN-TRADE	2017-18	2016-17
	Trading Purchase - Mumbai		
	HDPE/PP Laminated Fabric	214.39	282.77
	<b>TOTAL</b>	<b>214.39</b>	<b>282.77</b>
(₹ IN MILLION)			
Note 33	CHANGES IN INVENTORIES OF STOCK-IN-TRADE, WORK-IN-PROGRESS AND FINISHED GOODS	2017-18	2016-17
	<b>Inventories (At Close)</b>		
	Stock-in-Process	331.39	383.66
	Finished goods	112.06	83.81
		<b>443.45</b>	<b>467.48</b>
	<b>Inventories (At Commencement)</b>		
	Stock-in-Process	383.66	337.20
	Finished goods	83.81	108.42
		<b>467.48</b>	<b>445.62</b>
	<b>TOTAL</b>	<b>24.02</b>	<b>(21.85)</b>
(₹ IN MILLION)			
Note 34	EMPLOYEES BENEFITS EXPENSES	2017-18	2016-17
	Salaries	107.05	65.23
	Employees Welfare Expenses	7.66	5.59
	Contribution to Provident Fund and Other Fund	3.66	1.79
	Gratuity	1.73	1.09
	<b>TOTAL</b>	<b>120.11</b>	<b>73.69</b>
(₹ IN MILLION)			
Note 35	FINANCE COSTS	2017-18	2016-17
	Interest	82.72	70.89
	Other borrowing costs	12.03	11.76
	<b>TOTAL</b>	<b>94.75</b>	<b>82.65</b>
(₹ IN MILLION)			
Note 36	DEPRECIATION AND AMORTIZATION EXPENSES	2017-18	2016-17
	Depreciation and Amortization	53.07	41.66
	<b>TOTAL</b>	<b>53.07</b>	<b>41.66</b>





		(₹ IN MILLION)	
Note 37	OTHER EXPENSES	2017-18	2016-17
<b>MANUFACTURING EXPENSES</b>			
	Factory Wages	74.84	79.03
	Power and Fuel	43.60	42.95
	Labour Charges	38.03	52.09
	Consumable Stores	42.64	39.57
	Repairs & Maintenance	7.57	6.74
	Other Manufacturing Expenses	3.76	4.08
	Processing and Lamination Charges	0.08	1.65
	Excise duty - Provision on Finished Stock (Net)	-	1.20
	Excise duty - Provision on Finished Stock - Now Reversed	(1.79)	-
	<b>Sub-Total (A)</b>	<b>208.72</b>	<b>227.32</b>
<b>SELLING AND DISTRIBUTION EXPENSES</b>			
	Freight Forwarding Expenses	83.03	49.40
	Sales Promotion Expenses	10.63	7.65
	Vehicle Expenses	5.15	3.47
	Discount	8.71	5.16
	Other Selling and Distribution Expenses	1.74	0.84
	Sundry Export Expenses	1.51	1.82
	Commission	5.13	0.54
	<b>Sub-Total (B)</b>	<b>115.89</b>	<b>68.88</b>
<b>ESTABLISHMENT EXPENSES</b>			
	Legal and Professional Charges	8.03	9.41
	Scientific Research & Development	28.01	18.74
	Rent	6.84	6.56
	Tour & Travelling Expenses	8.43	10.25
	Insurance	5.02	5.41
	Printing, Stationary, Computer & Xerox Expenses	4.76	3.84
	Postage and courier Expenses	2.16	3.74
	Telephone Expenses	1.92	2.08
	General Expenses	3.83	4.04
	Electricity expenses - Mumbai Office	1.49	1.37
	Sundry Balances W/off (W /back)	2.66	(0.09)
	Conveyance Expenses	1.20	0.91
	Donations	0.07	0.38
	Donations for CSR Activities	1.45	1.39
	Foreign Exchange Variation (Net)	(30.08)	(8.32)
	Payment to Auditor (See Note 37.3)	1.45	1.45
	Loss on Sale of Asset	-	0.75
	Swachh Bharat Cess	0.12	0.40
	Krishi Kalyan Cess	0.12	0.30
	Fair Valuation of Investment	1.10	2.95
	<b>Sub-Total (C)</b>	<b>48.60</b>	<b>65.56</b>
	<b>TOTAL [(A)+(B)+(C)]</b>	<b>373.22</b>	<b>361.75</b>

		(₹ IN MILLION)	
<b>37.1</b>	<b>DETAILS OF STORES, CHEMICALS AND PACKING MATERIALS CONSUMED</b>	<b>2017-18</b>	<b>2016-17</b>
		₹ % of Consumption	₹ % of Consumption
	Imported	- -	- -
	Indigenous	42.64 100.00	39.57 100.00
	<b>TOTAL</b>	<b>42.64 100.00</b>	<b>39.57 100.00</b>
<b>37.2</b>	<b>VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF</b>	<b>2017-18</b>	<b>2016-17</b>
	Import of Raw Materials	27.67	24.33
		27.67	24.33
<b>37.3</b>	<b>PAYMENT TO AUDITORS</b>	<b>2017-18</b>	<b>2016-17</b>
	<b>As Auditor</b>		
	Audit Fee	0.90	0.90
	Tax Audit Fee	0.20	0.20
	Certification Fees	0.35	0.35
		1.45	1.45

		(₹ IN MILLION)
37.4 EXPENDITURE IN FOREIGN CURRENCY	2017-18	2016-17
Foreign Bank Charges	1.12	1.10
Testing Charges	0.12	2.11
Foreign Travelling Expenses	3.01	3.14
Exhibition Expenses	0.35	-
Advertising Charges	-	0.13
Membership Fees	0.16	0.16
Discount & Commission	10.48	0.51

		(₹ IN MILLION)
37.5 PARTICULARS	2017-18	2016-17
Foreign Exchange loss / (Gain) of Rs	(30.08)	(8.32)

		(₹ IN MILLION)
Note 38 EARNINGS PER SHARE (EPS)	2017-18	2016-17
Net Profit after tax as per Statement of Profit and Loss	152.62	124.35
Weighted Average number of equity shares used as denominator for calculating EPS	17.69	17.69
Weighted Average number of equity shares used as denominator for calculating DEPS	17.69	17.69
Basic Earnings per share	8.63	7.03
Diluted Earnings per share	8.63	7.03
Face Value per equity share	10.00	10.00

		(₹ IN MILLION)
Note 39 EARNINGS IN FOREIGN EXCHANGE	2017-18	2016-17
FOB value of Exports	1,096.51	1,035.49

Note 40	RELATED PARTY DISCLOSURES				(₹ IN MILLION)
	Name of Related Party (Designation)	Nature of Transaction	Amount of Transaction 2017-18	Amount of Transaction 2016-17	Balance as on 31.03.18
	Makrand Appalwar (Managing Director)	Remuneration	7.80	7.80	0.47 (0.46)*
	Rinku Appalwar (Finance Director)	Remuneration	7.20	7.20	0.21 (0.42)*
	Payment to Non - Executive Directors	Sitting Fees	0.15	0.13	-
	Emmbi Watcon LLP (99.99% Share)	Sale of Goods	1.52	-	- (-)*
	Emmbi Watcon LLP (99.99% Share)	Loan given	1.16	-	1.16 (-)*
	S. Sastry (President works)	Remuneration	5.17	4.50	0.40 (0.31)*
	Kaushal Patvi (Company Secretary)	Salary	1.18	0.76	0.06 (0.05)*
	Dividend paid to Relatives	Dividend paid to Relatives	5.15	5.14	-

\* Figures represent balance as on 31.03.2017

		(₹ IN MILLION)	
Note 41	TRADE PAYABLES TO MICRO, SMALL AND MEDIUM ENTERPRISES	2017-18	2016-17
	Sundry Creditors include dues to Micro, Small and medium scale industrial undertaking	-	-
	Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the company)	-	-
	The Company has sought confirmation from all the creditors regarding their registration as Micro, Small and Medium Enterprises, however till date of the Balance Sheet, no confirmation has been received and hence none of the creditors have been categorised as pertaining to Micro, Small and Medium Enterprises	-	-

**Note 42** The entire operation of the Company relate to only one segment viz. Polymer based multiple products. Hence, as per the Management approach under Ind AS - 108, the company has a single operating segment. Revenue is evenly spread across various customers and not concentrated at major customers.

**Note 43 : Category wise Classification of Financial Instruments** (₹ IN MILLION)

Particulars	Refer Note	March 31, 2018			March 31, 2017			April 1, 2016		
		FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>FINANCIAL ASSETS</b>										
Trade receivables	13	-	-	370.49	-	-	383.24	-	-	320.75
Loans	7	-	-	1.16	-	-	-	-	-	-
Cash and Bank Balances	14 & 15	-	-	36.89	-	-	3.82	-	-	9.82
Interest accrued		-	-	-	-	-	-	-	-	-
Investments	6	0.00	0.13	-	0.00	0.13	-	0.00	0.13	-
Security deposits	8	-	-	6.62	-	-	4.97	-	-	4.42
Others		-	-	-	-	-	-	-	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>0.00</b>	<b>0.13</b>	<b>415.16</b>	<b>0.00</b>	<b>0.13</b>	<b>392.03</b>	<b>0.00</b>	<b>0.13</b>	<b>334.99</b>
<b>FINANCIAL LIABILITIES</b>										
Trade payables	25	-	-	240.72	-	-	213.48	-	-	152.18
Short Term Borrowings	24	-	-	518.68	-	-	595.21	-	-	538.63
Interest accrued		-	-	-	-	-	-	-	-	-
Loans borrowed	19 & 26	-	-	449.46	-	-	190.20	-	-	84.94
Others	26	-	-	15.63	-	-	8.38	-	-	7.03
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>-</b>	<b>1,224.49</b>	<b>-</b>	<b>-</b>	<b>1,007.28</b>	<b>-</b>	<b>-</b>	<b>782.78</b>

Note: Please refer note 45- Liquidity Risk



**Application of UN Certified FIBC**

**UN Certified Disposal Bags**

Certified for disposing hazardous cargo covered under various UN groups.

Suitable for four categories of dangerous goods 13H1; 13H2; 13H3 & 13H4.

For 3 degrees of danger High (X); Medium (Y) & Low (Z).

**NOTE 44: INCOME TAX EXPENSE**

(₹ IN MILLION)

A. INCOME TAX EXPENSE	For the year ended	
	March 31, 2018	March 31, 2017
Current tax		
Current tax on profits for the year	44.00	37.38
Adjustments for current tax of previous year	-	1.50
<b>Total Current tax expenses</b>	<b>44.00</b>	<b>38.88</b>
<b>B. DEFERRED TAX</b>		
Deferred Tax for the year	8.52	8.98
<b>Total deferred tax expense/(benefit)</b>	<b>8.52</b>	<b>8.98</b>
<b>Income tax expense</b>	<b>52.52</b>	<b>47.86</b>
<b>C. RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S TAX RATE</b>	<b>For the year ended</b>	
	<b>March 31, 2018</b>	<b>March 31, 2017</b>
Profit from continuing operations before income tax expense	205.14	172.21
Tax at the Indian tax rate of % (previous year %)	34.61%	34.61%
Tax effect of amounts which are not deductible (taxable) in calculating taxable income: Dividend Income from Investments exempt from tax	71.00	59.60
Effects of non deductible business expense	2.57	3.06
Effect of Tax Incentives	(28.51)	(38.60)
Effect on account of Minimum Alternate Tax (MAT)	7.69	21.93
Adjustments for current tax of previous years	-	1.50
Other items	(0.21)	0.38
<b>Income tax expense</b>	<b>52.52</b>	<b>47.86</b>

**NOTE 45: EMPLOYEE BENEFIT OBLIGATIONS**

(₹ IN MILLION)

The Company has classified the various employee benefits provided to employees as under:

I Defined Benefit Plans	March 31, 2018	March 31, 2017	April 1, 2016
<b>Gratuity</b>			
Non-Current	9.77	5.59	2.30
<b>Total</b>	<b>9.77</b>	<b>5.59</b>	<b>2.30</b>

**A Significant assumptions :**

The significant actuarial assumptions were as follows :

Particulars	March 31, 2018	March 31, 2017
Discount rate	7.75% p.a.	7.50% p.a.
Salary escalation rate	6.50% p.a.	6.00% p.a.
Retirement age	60 years	60 years
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate Mortality Rates	Indian Assured Lives Mortality (2006-08) Ultimate Mortality Rates

**B Risk Exposure**

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

**Life expectancy:**

This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

**Future salary increase and inflation risk:**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

**Asset-Liability mismatch risk:**

Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans.

**II Defined Contribution Plans**

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss :-

	For the year ended	
	March 31, 2018	March 31, 2017
Employers' Contribution to Provident Fund	3.53	1.79

### III Gratuity

i) The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows:

(₹ IN MILLION)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2016</b>	<b>3.72</b>	<b>1.42</b>	<b>2.30</b>
Current service cost	0.83	-	0.83
Interest expense/(income)	0.28	0.10	0.18
<b>Total amount recognised in Profit or Loss</b>	<b>1.11</b>	<b>0.10</b>	<b>1.01</b>
Return on plan assets expense/(income)	-	-	-
(Gain)/loss from experience changes	2.11	-	2.11
(Gain)/loss from change in financial assumptions	0.19	-	0.19
<b>Total amount recognised in Other Comprehensive Income</b>	<b>2.30</b>	<b>-</b>	<b>2.30</b>
Employer's contribution	-	0.03	(0.03)
Benefits paid	(0.51)	(0.52)	0.01
<b>March 31, 2017</b>	<b>6.63</b>	<b>1.03</b>	<b>5.59</b>

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2017</b>	<b>6.63</b>	<b>1.03</b>	<b>5.59</b>
Current service cost	1.31	-	1.31
Interest expense/(income)	0.48	0.08	0.40
<b>Total amount recognised in Profit or Loss</b>	<b>1.79</b>	<b>0.08</b>	<b>1.72</b>
Return on plan assets expense/(income)	-	(0.07)	0.07
(Gain)/loss from experience changes	3.72	-	3.72
(Gain)/loss from change in financial assumptions	0.33	-	0.33
<b>Total amount recognised in Other Comprehensive Income</b>	<b>4.05</b>	<b>(0.07)</b>	<b>4.11</b>
Benefits paid	(2.68)	(1.03)	(1.65)
<b>March 31, 2018</b>	<b>9.78</b>	<b>0.01</b>	<b>9.77</b>

ii) The net liability disclosed above relates to funded plans are as follows:

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Present value of funded obligation	9.78	6.63	3.72
Fair value of plan assets	0.01	1.03	1.42
Surplus of funded plan	9.77	5.59	2.30

iii) Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation March 31, 2018	
	%	₹
<b>Discount rate</b>		
1.00% increase	-14.07%	(1.38)
1.00% decrease	17.41%	1.70
<b>Future salary increase</b>		
1.00% increase	17.45%	1.71
1.00% decrease	-14.34%	(1.40)

Assumption	Impact on defined benefit obligation March 31, 2017	
	%	₹
<b>Discount rate</b>		
1.00% increase	-14.94%	(0.96)
1.00% decrease	18.71%	1.20
<b>Future salary increase</b>		
1.00% increase	18.81%	1.21
1.00% decrease	-15.26%	(0.98)

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	March 31, 2018	March 31, 2017
Less than a year	0.11	-
Between 1- 2 years	0.29	0.12
Between 2 - 5 years	0.55	0.31
Over 5 years	10.97	8.66
<b>Total</b>	<b>11.92</b>	<b>9.09</b>



**Capital Management:**

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders.

The Capital structure of the Company is as follows:

(₹ IN MILLION)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Equity share capital	176.90	176.90	176.90
Other Equity	805.46	667.60	556.22
Total Equity	982.37	844.51	733.12

**Events after reporting period**

- a) The final dividend recommended by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

**Dividends**

(₹ IN MILLION)			
Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Dividends not recognised at the end of reporting period (including dividend distribution tax)	10.66	10.65	10.65

The Board of Directors have recommended the payment of a final dividend of ₹ 0.50 per fully paid equity share of ₹ 10.00 each (March 31, 2017 - ₹ 0.50). This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.

**Corporate Social Responsibility (CSR)**

As a part of Corporate Social Responsibility (CSR) initiative, the Company has decided to donate to Emmbi Foundation having main object as CSR Activity as specified in Schedule VII. An amount of ₹ 1.45 Million (Previous Year: ₹ 1.39 Million) has been spent in the year ended March 31, 2018. Gross amount required to be spent by the Company during the year: ₹ 2.67 Million (Previous Year: ₹ 1.92 Million).

Amount spent during the year on:

(₹ IN MILLION)			
Particulars	In Cash	Yet to be paid in Cash	Total
	Rs.	Rs.	Rs.
Acquisition of any asset	-	-	-
Others	1.45	1.22	2.67
<b>Total (CY)</b>	<b>1.45</b>	<b>1.22</b>	<b>2.67</b>
Previous Year	(1.39)	(0.52)	(1.92)

\*Note : Figures shown in brackets are in respect of previous year.

The company has been identifying appropriate CSR projects and programs in the villages around Silvassa. Several long term projects have been identified and are under implementation and would take time for completion.

**Operating Lease:**

- (i) As a lessee: The Company's significant leasing agreements are in respect of operating leases for premises (residential and office), software. These leasing agreements range between 11 months and 99 months, which include both cancellable and non-cancellable leases and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals of ₹ 7.94 Million (Previous Year ₹ 5.77 Million) are charged to the Statement of Profit and Loss. The total future minimum lease rentals payable for non-cancellable lease at the Balance Sheet dates are as under :-

(₹ IN MILLION)		
Particulars	March 31, 2018	As at March 31, 2017
For a period not later than one year	8.64	6.47
For a period later than one year and not later than five years	11.37	14.33
For a period later than five years	-	-

**Financial risk management**

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. The general conditions for compliance with the requirements for proper and future-oriented risk management within the Company are set out in the risk management principles. These principles aim at encouraging all members of staff to responsibly deal with risks as well as supporting a sustained process to improve risk awareness. The guidelines on risk management specify risk management processes, compulsory limitations, and the application of financial instruments. The risk management system aims at identifying, analyzing, managing, controlling and communicating risks promptly throughout the Company. Risk management reporting is a continuous process and part of regular Group reporting. In addition, our Corporate Function Internal Auditing regularly checks whether Company complies with risk management system requirements.

The Company is exposed to credit, liquidity and market risks (foreign currency risk and price risk) during the course of ordinary activities. The aim of risk management is to limit the risks arising from operating activities and associated financing requirements by applying selected derivative and non-derivative hedging instruments.

**Credit risk**

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. The balances with banks, loans given to employees, security deposits are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Hence, no provision has been created for expected credit loss for credit risk arising from these financial assets.

**Trade receivables**

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information.

Export related trade receivables are fully secured under the Export Credit Guarantee Corporation Scheme and therefore the Company is not exposed to significant credit risk.

The provision for expected credit loss is recognised on the basis of life-time expected credit losses (simplified approach). An expected loss rate is calculated at each year-end, based on combination of rate of default and rate of delay. The Company considers the rate of default and delay.

There is no significant expected loss recognised.

**Expected credit loss:****March 31, 2018****(₹ IN MILLION)**

Particulars	Trade Receivables	Loans	Other Financial Assets	Total
Gross carrying amount	370.93	1.16	43.51	415.60
Expected loss rate	0.12%	0.00%	0.00%	0.10%
Expected credit losses (loss allowance provision)	0.43	-	-	0.43
<b>Carrying amount (net of impairment)</b>	<b>370.49</b>	<b>1.16</b>	<b>43.51</b>	<b>415.16</b>

**March 31, 2017****(₹ IN MILLION)**

Particulars	Trade Receivables	Loans	Other Financial Assets	Total
Gross carrying amount	383.68	-	8.79	392.47
Expected loss rate	0.11%	0.00%	0.00%	0.11%
Expected credit losses (loss allowance provision)	0.43	-	-	0.43
<b>Carrying amount (net of impairment)</b>	<b>383.24</b>	<b>-</b>	<b>8.79</b>	<b>392.03</b>

**April 1, 2016****(₹ IN MILLION)**

Particulars	Trade Receivables	Loans	Other Financial Assets	Total
Gross carrying amount	321.18	-	14.24	335.43
Expected loss rate	0.14%	0.00%	0.00%	0.13%
Expected credit losses (loss allowance provision)	0.43	-	-	0.43
<b>Carrying amount (net of impairment)</b>	<b>320.75</b>	<b>-</b>	<b>14.24</b>	<b>334.99</b>

**Reconciliation of loss allowance provision**

Loss allowance as on April 1, 2016	0.43
Changes in loss allowance	-
Loss allowance as on March 31, 2017	0.43
Changes in loss allowance	-
Loss allowance as on March 31, 2018	0.43

**Liquidity risk**

Liquidity risk is the risk that the Company is unable to meet its existing or future obligations due to insufficient availability of cash or cash equivalents. Managing liquidity risk, and therefore allocating resources are some of the central tasks of the Company's management. In order to be able to ensure the Company's solvency and financial flexibility at all times, credit limits and cash and cash equivalents are reserved on the basis of perennial financial planning.

**Maturities of financial liabilities****(₹ IN MILLION)**

The table below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

<b>March 31, 2018</b>	<b>Upto 1 year</b>	<b>1 to 3 years</b>	<b>3 to 7 years</b>
<b>Non- derivative liabilities</b>			
Trade Payables	240.72	-	-
Borrowings*			
Long Term	96.08	156.95	260.51
Short Term	576.02	-	-
Other Financial Liabilities	15.63	-	-
<b>TOTAL</b>	<b>928.46</b>	<b>156.95</b>	<b>260.51</b>

(₹ IN MILLION)

<b>March 31, 2017</b>	<b>Upto 1 year</b>	<b>1 to 3 years</b>	<b>3 to 7 years</b>
<b>Non- derivative liabilities</b>			
Trade Payables	213.48	-	-
Borrowings*			
Long Term	54.35	99.62	66.28
Short Term	652.49	-	-
Other Financial Liabilities	8.38	-	-
<b>TOTAL</b>	<b>928.70</b>	<b>99.62</b>	<b>66.28</b>

<b>April 1, 2016</b>	<b>Upto 1 year</b>	<b>1 to 3 years</b>	<b>3 to 7 years</b>
<b>Non- derivative</b>			
Trade Payables	152.18	-	-
Borrowings*			
Long Term	32.71	24.38	27.86
Short Term	538.63	-	-
Other Financial Liabilities	7.03	-	-
<b>TOTAL</b>	<b>730.55</b>	<b>24.38</b>	<b>27.86</b>

\*Based on the few assumptions we have calculated the interest pay out amount, which may vary with the amount actually disclosed.

#### Market risk

Market risk is the risk that fair values or future cash flows of non-derivative or derivative financial instruments will fluctuate due to changes in risk factors. Among market risks relevant to the Company are foreign currency risk and price risks. Associated with these risks are fluctuations in income, equity and cash flow. The objective of risk management is to eliminate or limit emerging risks by taking appropriate precautions, especially by applying derivatives. The application of derivatives is subject to strict controls set up on the basis of guidelines as part of regular reporting. Various measures are used to mitigate or eliminate the risk of fluctuations in the fair value of future cash flows from financial instruments due to market changes. These mainly include foreign currency forward contracts with banks. The use of derivative financial instruments is extensively monitored, with checks being carried out on the basis of policies in the framework of regular reporting.

#### Foreign currency risk

The international nature of the Company's business activities generates numerous cash flows in different currencies especially in USD and EURO. Hedging the resulting currency risk exposures is an essential part of the Company's risk management. To contain the risks of numerous payment flows in different currencies, in particular USD and EURO, the Company follows group wise policies for foreign currency management.

The Company does not have any material exposure to foreign currency at the balance sheet date.



#### Dustproof Container Liner

*Contamination-free.*

*Highest sift proof resistance.*

*Leakage prevention.*

*Suitable for fine powders, Animal feed, Chemicals, Food Ingredients, mining, minerals, iron powder, resin.*



CIN L17120DN1994PLC000387

Registered office: 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230. Tel.:91-0260-3200948 Email: info@emmbi.com

## ATTENDANCE SLIP

Joint shareholders may obtain additional slip at the venue of the meeting

DP Id \_\_\_\_\_

Folio No. \_\_\_\_\_

Client Id \_\_\_\_\_

No. of Shares \_\_\_\_\_

Annual General Meeting of EMMBI INDUSTRIES LIMITED will be held on Monday, 24th September, 2018 at 10.30 a.m.

I/We record my/our presence at the Twenty Fourth Annual General Meeting to be held on Monday, 24th September, 2018 at 10.30 a. m. at 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.

NAME OF THE SHAREHOLDER / PROXY

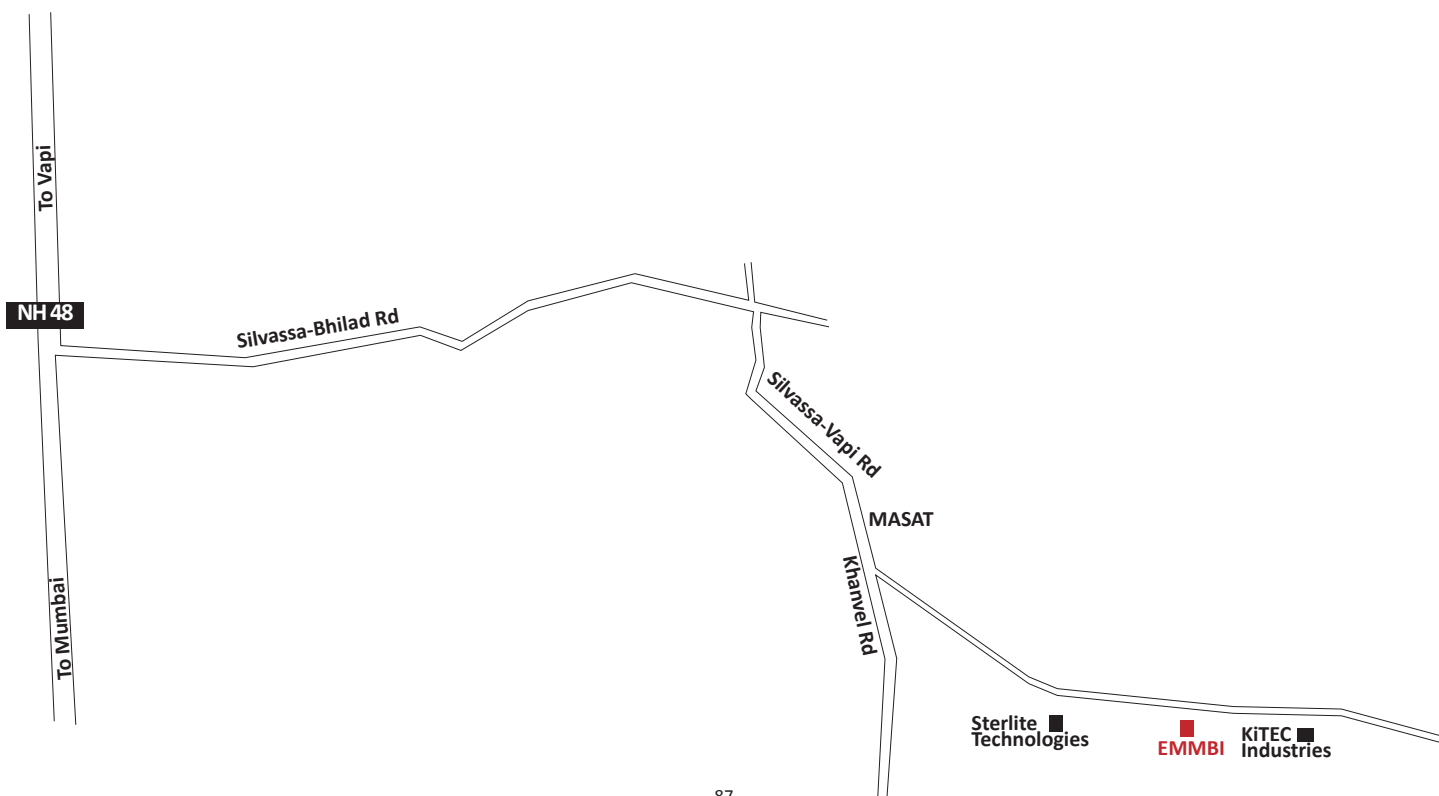
(in Block Letters)

\_\_\_\_\_

SIGNATURE OF THE SHAREHOLDER / PROXY \_\_\_\_\_

NOTE: You are requested to sign and handover this slip at the entrance of the meeting venue.

### 24th Annual General Meeting Location Map



The world's widest pond liner?  
**Trust Emmbi  
to invent it!**

 **emmbi**  
**Jalasanchay**



Emmbi unveiled the world's widest pond liner, under the Jalasanchay brand, at KISAN 2016, the largest agricultural fair in India. Pond liners are custom made, by seaming together multiple pieces of the pond lining fabric. The greater the number of seams in a liner, the greater the chances of leakage and tears.

Our relentless focus on adding real value to our customers saw us manufacture the widest roll of pond lining fabric in the world. A wider roll means that an average pond liner has fewer seams, which in turn translates to greater longevity of the product, and fewer maintenance hassles.

Just another way in which Emmbi is brightening lives of the Indian farmer.





**CIN L17120DN1994PLC000387**

Registered office: 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230. Tel.:91-0260-3200948 Email: info@emmbi.com

**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 L17120DN1994PLC000387  
Name of the company EMMBI INDUSTRIES LIMITED  
Registered office 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road  
Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.  
Name of the member (s) \_\_\_\_\_  
Registered address \_\_\_\_\_  
E-mail Id \_\_\_\_\_  
Folio No/ Client Id \_\_\_\_\_ DP ID \_\_\_\_\_

I/We, being the member (s) of ..... shares of the above named company, hereby appoint  
Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail Id \_\_\_\_\_ Signature \_\_\_\_\_

OR FAILING HIM

Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail Id \_\_\_\_\_ Signature \_\_\_\_\_

OR FAILING HIM

Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail Id \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fourth Annual General Meeting to be held on Monday, 24th September, 2018 at 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230 at 10.30 a. m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	For *	Against*
1.	Adoption of Financial Statements for the year ended 31st March, 2018.		
2.	Declaration of Dividend on Equity Shares.		
3.	Re-appointment of Mr. Makrand M. Appalwar, who retires by rotation and, being eligible, offers himself for re-appointment.		
4.	Ratification of appointment of M/s. R. Daliya & Associates as Statutory Auditors of the Company.		
5.	Regularization and Appointment of Mr. Rama Krishnan as an Independent Director of the Company.		
6.	Regularization of Mr. Krishnan Subramanian as a Director of the Company.		
7.	Appointment of Mr. Krishnan Subramanian as a Wholetime Director of the Company.		

Signed this..... day of..... 2018

Signature of Shareholder: .....

Signature of Proxy holder(s): .....



**\*See Note 4 overleaf**

Notes:

1. 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.
2. A proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*4. Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



**De-Watering Bags**

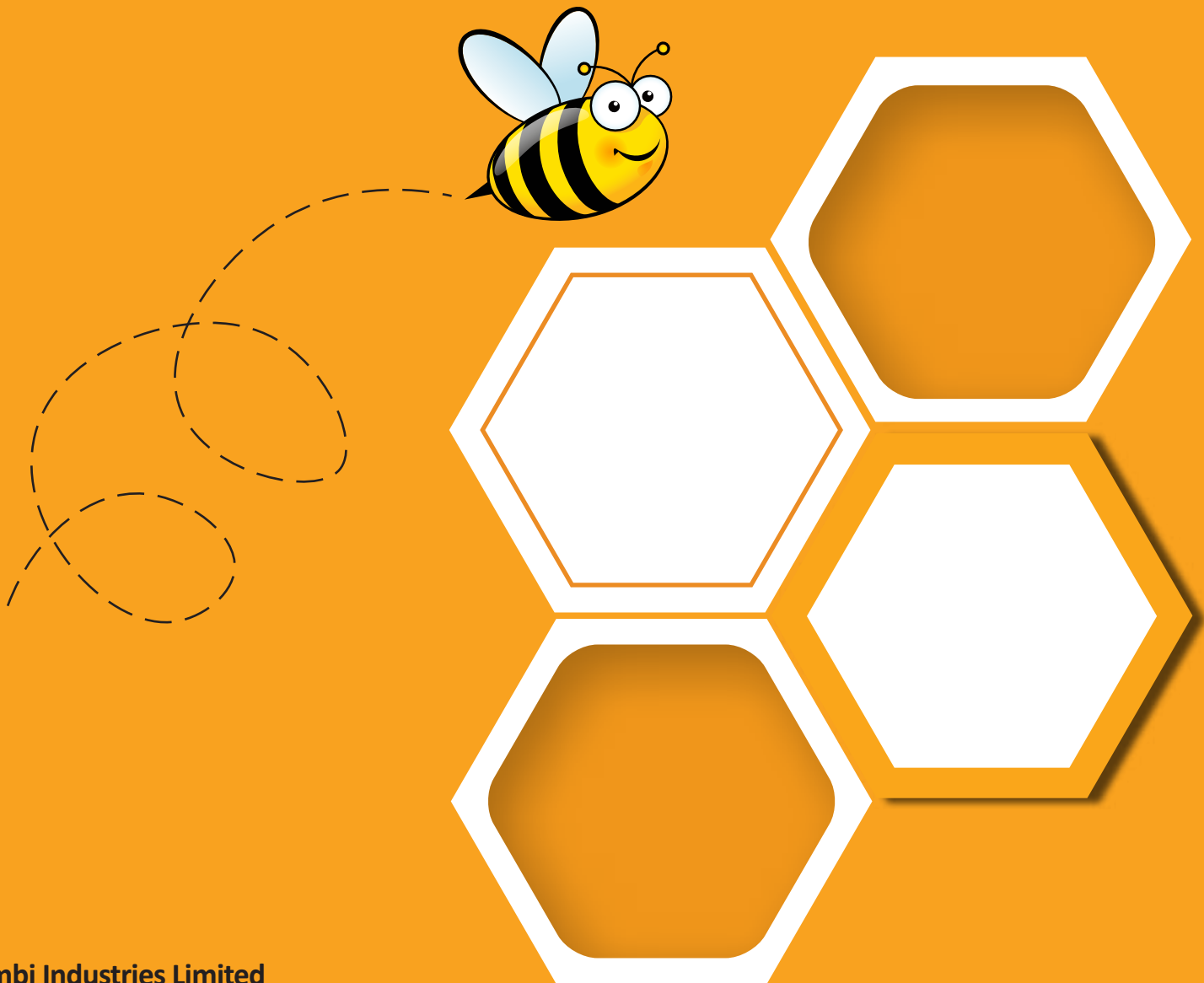
*Suitable for Dewatering sludge,  
Product washing, Bio-treatment  
projects, Product collecting.*

## Notes

[illegible]

## Notes

[illegible]



**Emmbi Industries Limited**

99/2/1 & 9, Madhuban Industrial Estate,  
Madhuban Dam Road, Rakholi Village,  
U. T. of Dadra & Nagar Haveli,  
Silvassa 396 230. INDIA

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[www.emmbi.com](http://www.emmbi.com)