

Emmbi Industries Limited

Investor Presentation

FY 2019-20



Disclaimer

This is not an investment recommendation, and this presentation contains forward-looking statements, identified by words such as '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, these are subject to extraneous, as well as other factors. You are required to do your own research prior to making any strategic or commercial decisions based on this presentation. Neither the Company or its Directors, Management and/or Employees can be held liable for decisions made by the readers.

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1. Q1FY 2020 – Highlights



At a Glance

FY20 Projections

Achievements in Q1-FY20

Financial Performance

Targeted Revenue Growth: 12-15%
Growth in EBITDA Margin: 30-45bps p.a.
PAT Growth: 15-18%

Revenue Growth: 2.62%
Reduction in EBITDA Margin: 80bps
PAT Growth: -15%

Operational Performance

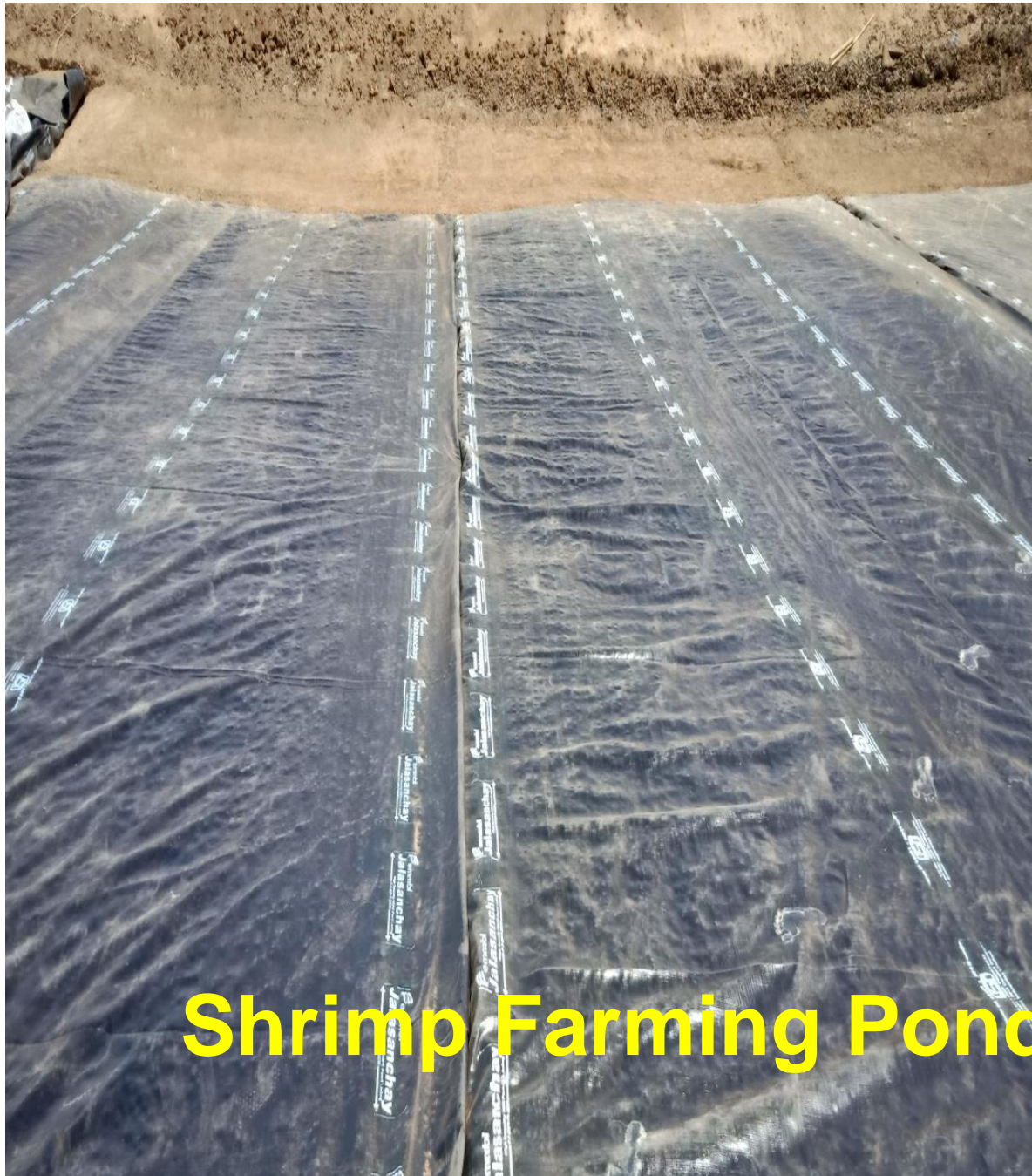
Average Ponds per day: 11
Share in topline of B2C Vertical: 20-22%
Add Two more States for the Pond Liner Distributions

Average Ponds per day: 12
Share in topline of B2C Vertical: 22 %
Added 6 Districts of Karnataka and 4 of MP and Growing

Innovation & Highlights

Aim to Launch New Product, Service or Sector of Distribution

Created the Commercial **Shrimp farming** ponds in two states of India



Shrimp Farming Pond Under Construction

Avana awarded Best CSR Idea of the Year



Avana's Water Conservation Solution Becomes Best CSR Idea of the Year

On 9th August, 2019, UBS Forums curated a Corporate Social Responsibility Summit & Awards 2019 at ITC Maurya, New Delhi. Here, Avana, a for-profit B2C division at Emmbi Industries Limited was the winner of two prestigious awards for its innovative water conservation idea.

Avana's water conservation concept was conferred **the Best Innovative CSR Project in the Industrial Sector**, presented by Meenakshi Batra, CEO, CAF India.

Avana's field team having completed multiple projects successfully, they were also conferred with **the Best CSR Implementing Partners Award in the Industrial Sector**, presented by Abhishek Mahapatra, Vice President & Head of communications, Corporate Affairs & CSR of Nissan India.



Avana's Water Conservation Solution Becomes Best CSR Idea of the Year

Through Avana's mission of developing affordable technological solutions that bring farmers out of hunger and poverty, it has impacted **the lives of over 30,000 people**. Through **Jalasanchay, the world's most affordable rainwater harvesting solution**, it has conserved **over 232.8 Billion Liters of Water**.

Avana works in partnership with non-profits, where they provide the funds and Avana acts as an implementation partner for beneficiary farmers. Avana's work was recognized because **it has the highest population beneficiaries per rupee spent**. The comprehensive water conservation solution is available at a cost of **1 paisa/liter/year**, which is **1/10 th the cost of traditional solutions**.

To know more about Avana's work or to get in touch, visit our website www.avana.co.in or drop in an email at info@avana.co.in. You can also get updates about our work through our social media pages

(Facebook/Instagram/LinkedIn) by following our handle [@avanaagriculture](https://www.instagram.com/avanaagriculture).



2. Financial Performance



Financial Performance



40⁺ Products	15⁺ Patents	200⁺ Clients	57⁺ Countries
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(₹ Millions)	2015	2016	2017	2018	2019	Q1 2020
Revenues	1,929	2,177	2,410	2,790	3148	735
EBIDTA	202	270	297	353	411	92
PAT	60	106	124	153	178	34
EPS	3.37	5.99	7.03	8.63	10.06	1.94
BV	35.86	41.24	47.74	55.53	64.99	66.92

Growth	2015	2016	2017	2018	2019	Q1 2020
Revenue Growth %	14.81	12.83	10.72	15.77	12.85	2.62
EBIDTA %	10.99%	12.97%	12.94%	13.87%	14.22%	13.82%
PAT Growth %	37.62	77.63	17.36	22.73	16.57	(15.27)

3. Product Verticals and Growth Drivers



Business Verticals

Emmbi caters to a \$73 Billion Global Market



Specialty Packaging

**Estimated Global Market:
30 US \$ Billion**

The Specialty Packaging division caters to a wide array of industries, from food and pharma to chemicals, cement and more – to transport and store materials.



Advanced Composites

**Estimated Global Market:
36.5 US \$ Billion**

The Advanced Composites division focuses on creating high-tech solutions for specialized applications.

This division creates solutions for hazardous waste management, asbestos removal, fire-retardant applications etc.



Water Conservation

**Estimated Global Market:
2.5 US \$ Billion**

The Water Conservation portfolio, as the name suggests, focuses on creating solutions for the storage, transport and distribution of water.

These products – like pond liners and flexible tanks – are marketed under the Avana brand.



Agro Polymers

**Estimated Global Market:
4 US \$ Billion**

These focus primarily on crop protection and de-risking the farmer from the weather.

Typical applications include Mulch Films, Crop Covers and flexible pipes. **They are also marketed in retail under the Avana brand.**

Growth Drivers



**Specialty
Packaging**



**Advanced
Composites**



**Water
Conservation**



**Agro
Polymers**



Strengthen B2B Base

Consolidate across
industry verticals



**Increased share of
Value Added Products**

Focus on margin
expansion through
better acceptance of
value added products



Expand B2C Vertical

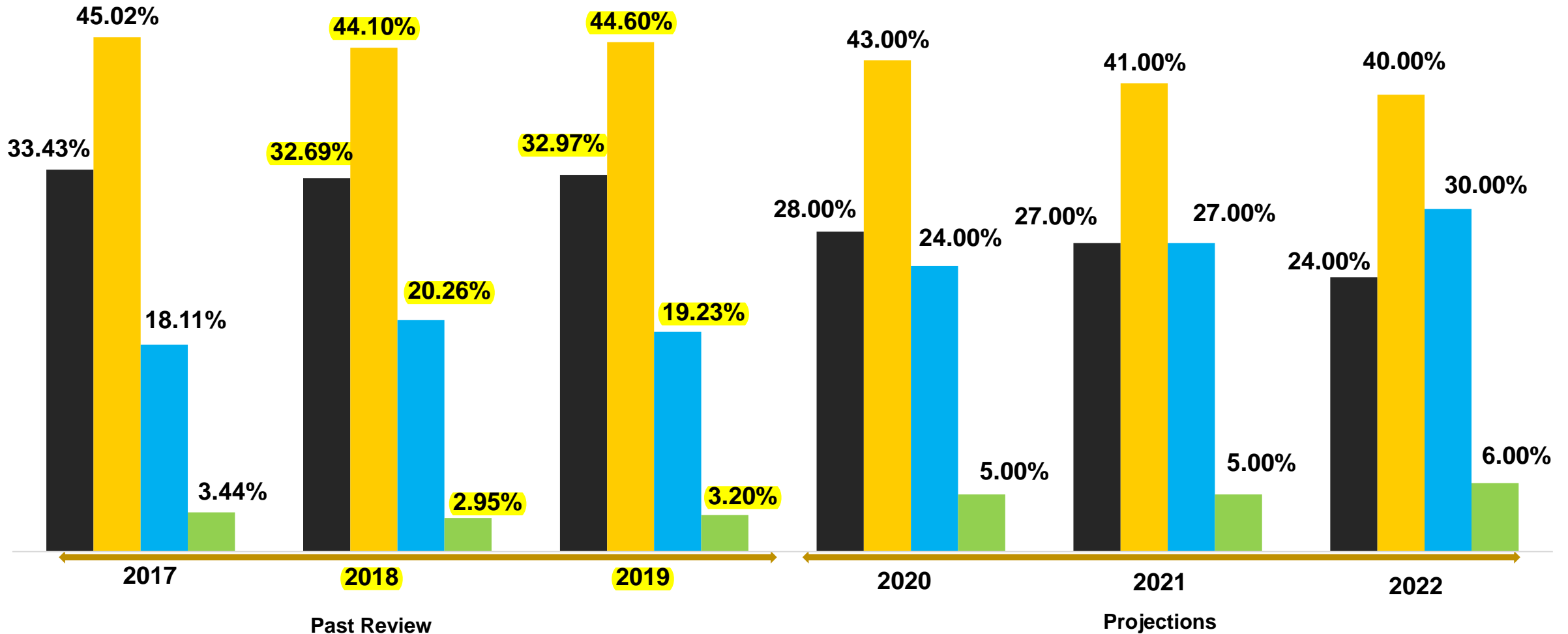
Develop advanced
products in B2C
segment to drive
margins



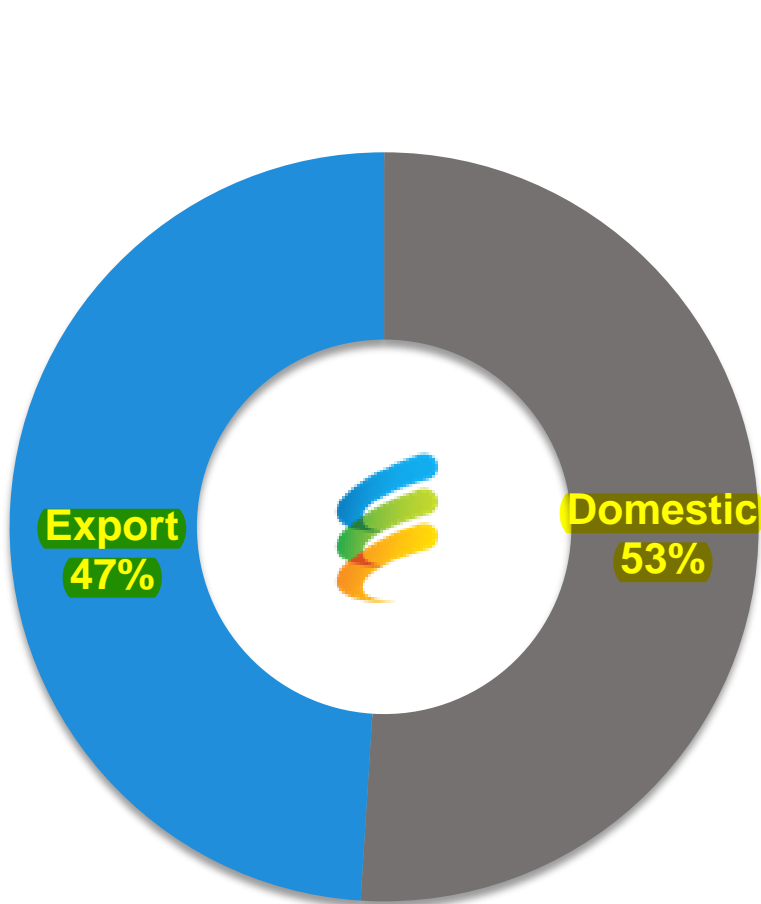
Shift in Buying Pattern

Cater to greener,
cleaner and efficient
crop protection
technology

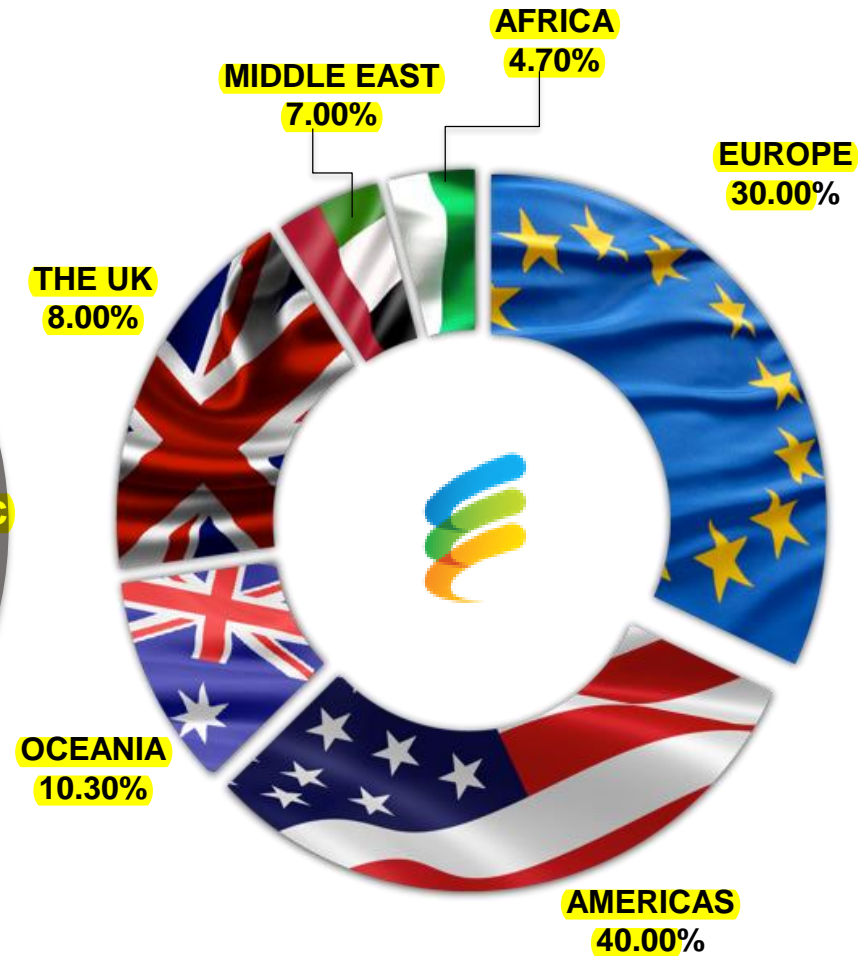
Emmbi Revenues by division



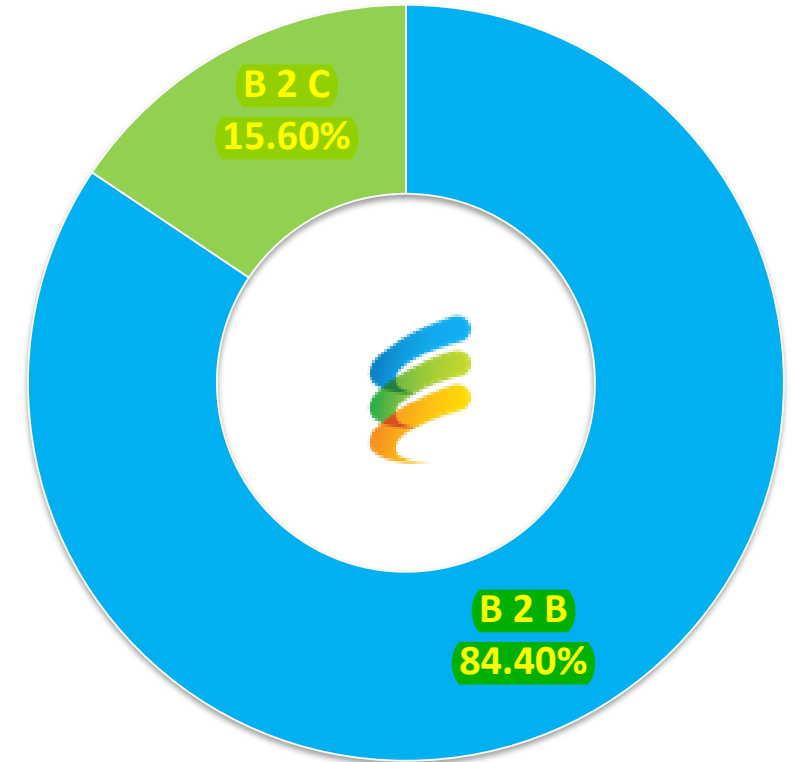
Revenues Split



Market Wise Split
As on 31st March 2019



Export Geographies
% of Export Sale

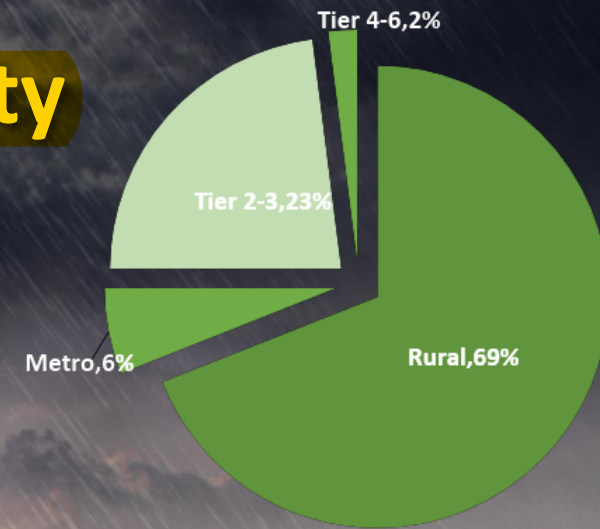


Division Business Split
B2B vs B2C

4. Future Outlook – The Focus on Water



The Rural Market: A Huge Opportunity



68.8%

of India is dependent on agriculture

Only 14%

has certainty of income through micro irrigation

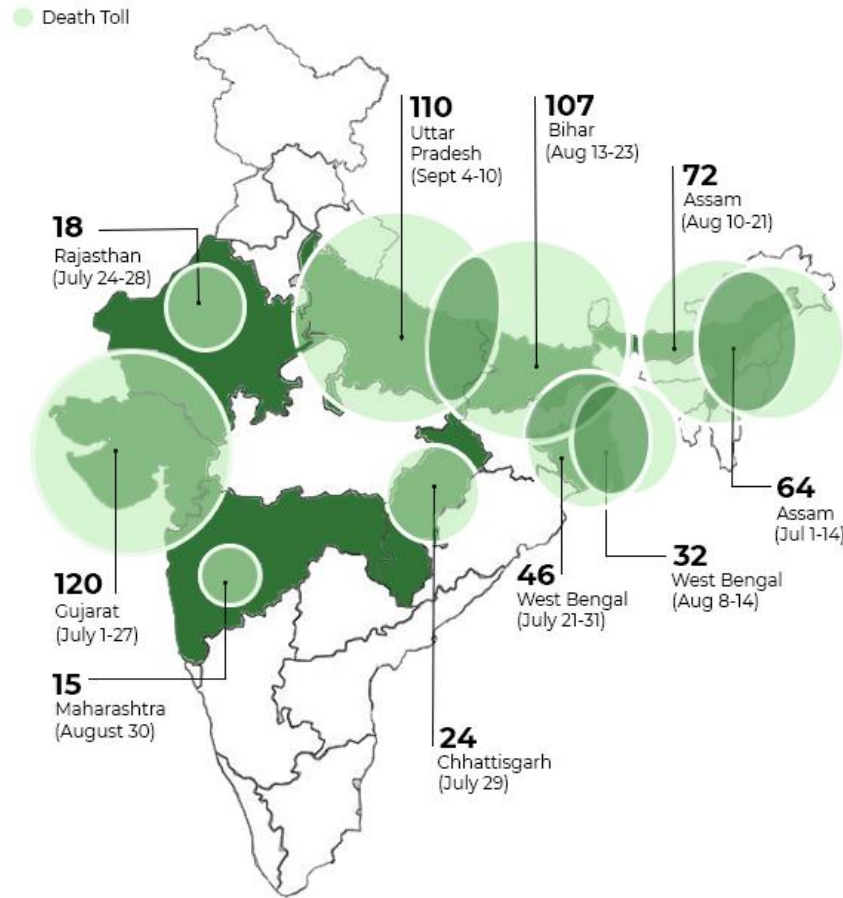
The Challenge: A Severely Changing Rainfall Pattern

Water, a primary concern

~54%

India lives faces high to very high water stress*

Sudden downpours are useless for farmers, unless rainwater is conserved



* Source: Water Resources Institute

Sudden downpours and flash floods are becoming more common. Most of the water flows away and is unable to recharge the water table. Conserving water by capturing this water surplus is critical for farmers who depend on it for their livelihood. But traditional water conservation solutions, such as concrete tanks, are unaffordable for the vast majority of Indian farmers.



Change in rainfall
pattern



Reduction in sub-
surface absorption



Less disburseable
water for use



Increased water
scarcity

The problems caused by sudden downpours

Our Solution: Capturing surplus rainwater



Saving Water

Emmbi has created three major methods to solve the nation's water crisis. These are:

- Jalasanchay Pond Liner
- AquaSave Canal Liner
- Perco Plus Percolation Tanks

Jalasanchay: Results so far

What we've achieved

6000+ Ponds

12,000 Hectares of Land Irrigated

4 states

36 months

11 ponds per day!

We believe we can create

One Pond Every Hour

With existing capacity

5-7 states in First 5 Years

Impact Film Link

<https://www.youtube.com/watch?v=8CfYFEWSITg>

Actual image of Emmbi pond Sinner,
Dist. Nashik, State Maharashtra, India

A wide-angle photograph of a construction site for a canal. A large area of the ground is covered with a dark blue, wrinkled plastic liner. In the background, a yellow excavator is working on a trench. Several workers are visible: some are sitting on the liner, and others are standing on the earthen banks. The sky is overcast.

AquaSave Canal Liner prevents percolation losses in clay canals.

This increases the area under irrigation and improves water efficiency till the last mile, for large irrigation projects!



Perco Plus is used to line bunds in percolation tanks preventing horizontal movement of water. Thus, water moves down vertically and recharges the underground water table.

We have created 70 such tanks this year!

These have increased the availability of groundwater in nearby villages by ~6 months in a year. Now water is available till May End

Appendix A. Product Profile of Emmbi





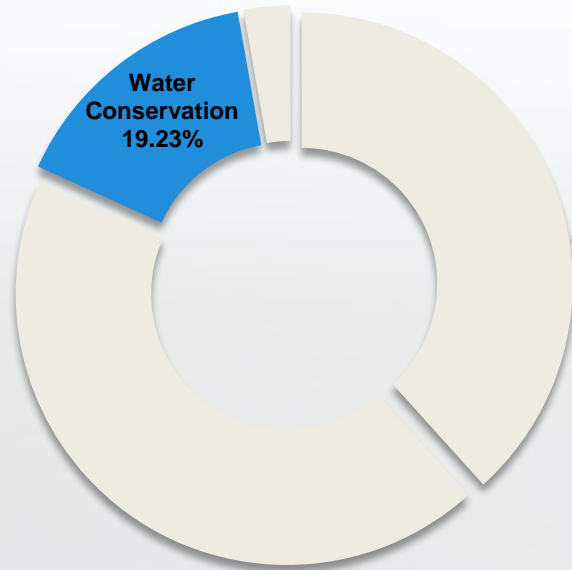
Water
Conservation



Helped irrigate **10,000 Hectares** of crops using **5000 ponds** in 3 states of India in past **36 months**

Pic: Pond for 8 million ltr Water Storage
Created by Emmbi At Pahur, Dist Jalgaon,
State of Maharashtra, India

Product Snapshot



Pond Liner



Check Dam

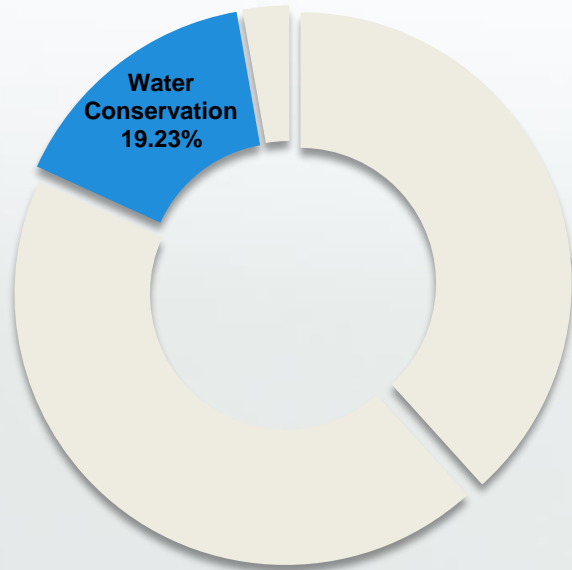


Canal Liner



Collapsible Pipe

Product Snapshot



Cycle Tank



1000 Liter Flexi Tank



500 Liter Standing Tank



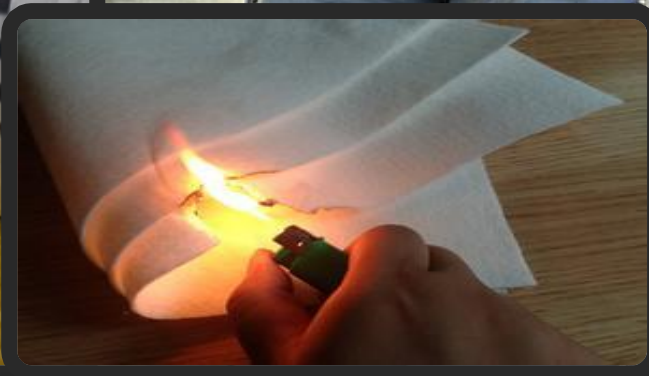
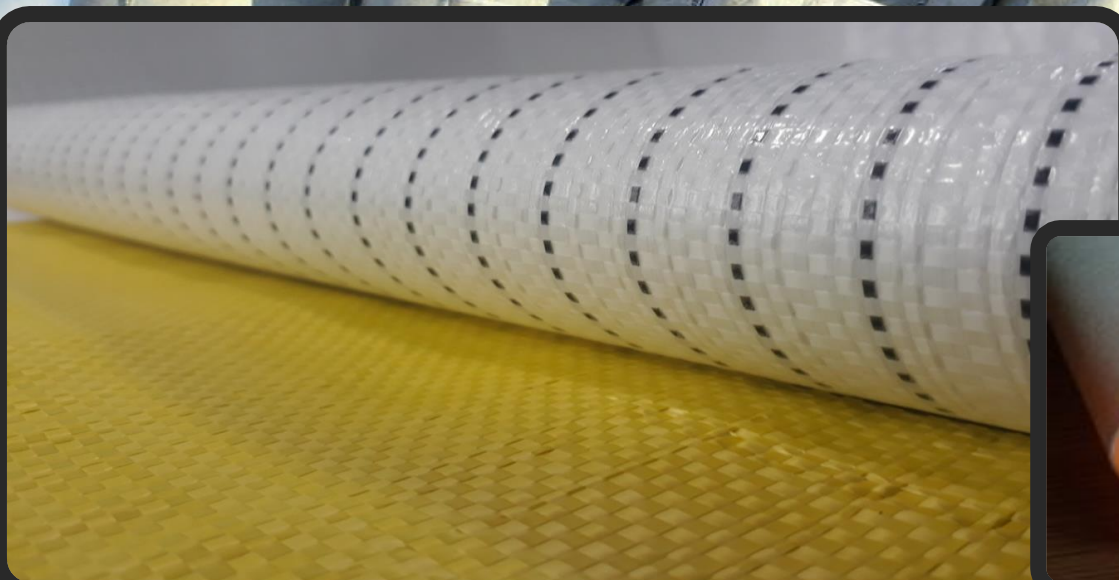
Open Flexi Tank



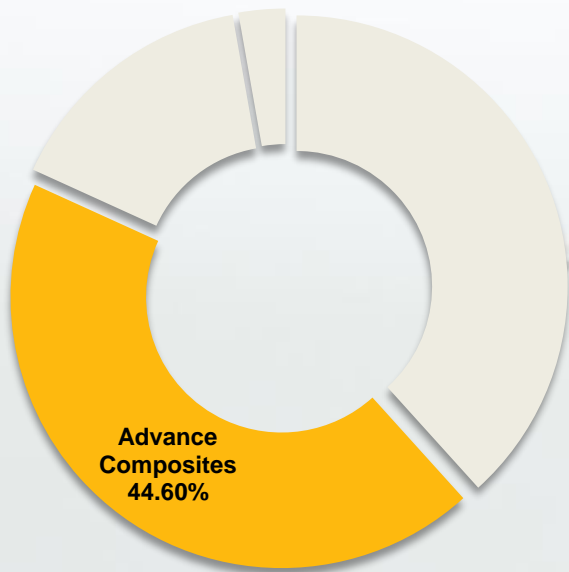
Advanced
Composites



Helped to **protect priceless lives and assets worth Billions** with our Advanced Composite Range



Product Snapshot



UN Certified FIBC



Application of UN Certified FIBC



Water – Slug Separator

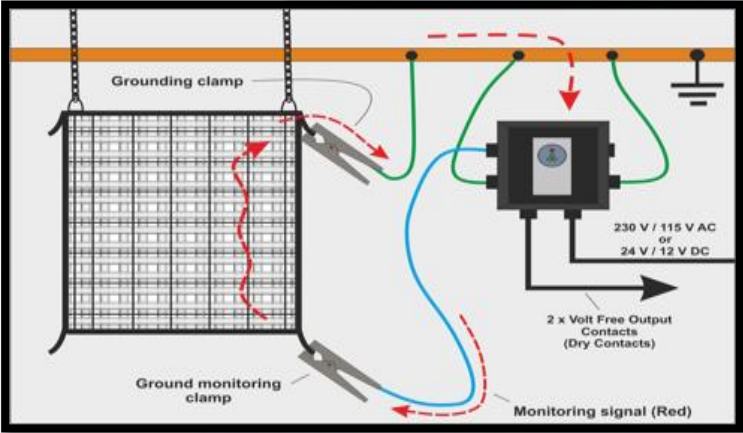


Application of Anti Carcinogenic Packaging



Nuclear Power plant Waste Disposal

Product Snapshot



Electrically Conductive Polymer



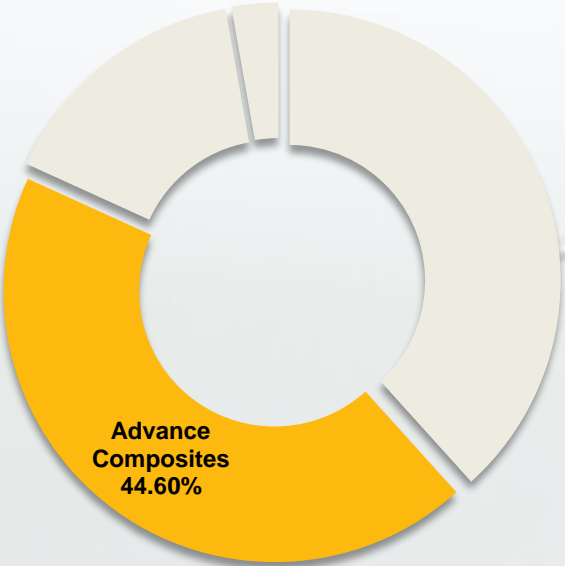
Anti-Corrosive VCI Films



Application for Fall Arrest



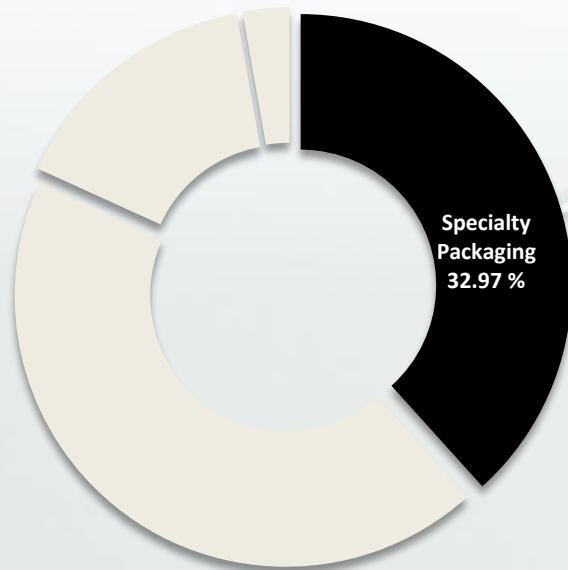
Anti Corrosive Fabric





Helped put **4 Million Tones**
of food & Other Cargo in
your service every single
year, **safely**

Product Snapshot



Construction FIBC



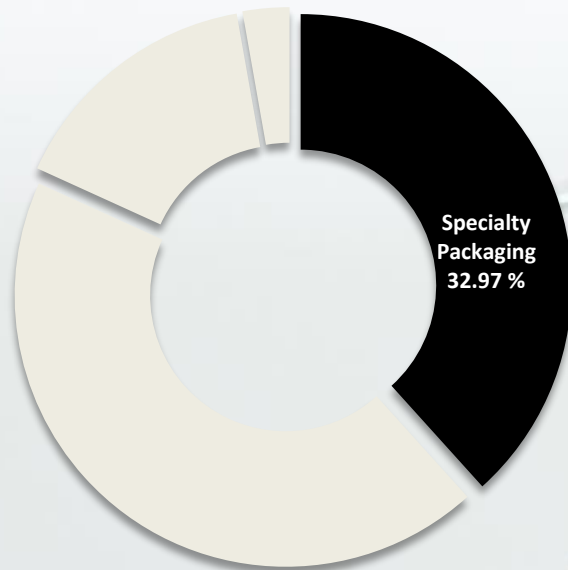
Application of Construction FIBC



Packaging Barrier Films

**Bulk Packaging with
lowest carbon foot print
only
0.7 gm polymer can hold
up to 1 kg of Material**

Product Snapshot



"Form Stable" Conductive



Liquid & Solid Container Liner



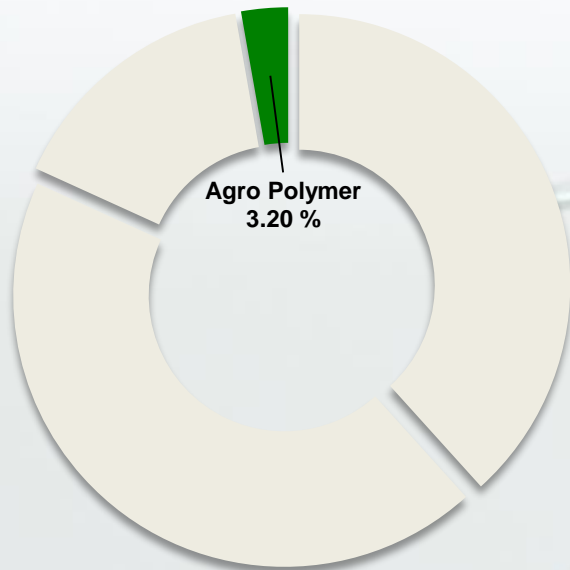
Urban Waste Disposal

Perfect partner to new age Supply Chain system , and Hyper Local Models of Distribution, Typically used by Multinationals & e-commerce companies

Help protect your food from contamination from hazardous chemicals and pesticides, **naturally**

Actual Picture from KVK Baramati, Dist Pune,
State of Maharashtra, India

Product Snapshot



Mulch Film



Crop Cover



Silage Incubator

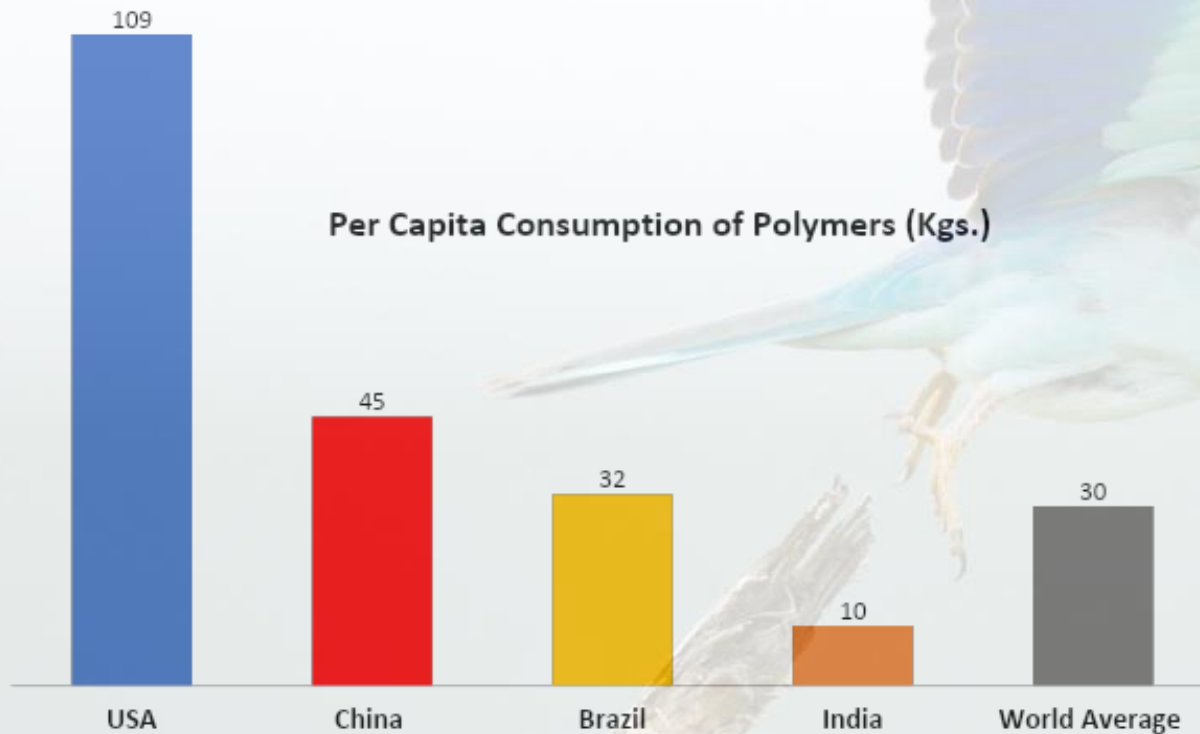


Shade Net

Appendix B. Polymer Processing Industry : Global Perspective



Compared to the global averages, India still has head-room for growth



INDIA LAGS THE WORLD IN POLYMER CONSUMPTION

India's consumption of polymers is still a third of the global average.

URBANIZATION TO DRIVE CONSUMPTION

As the country urbanizes and grows economically, we see a significant uptick in polymer consumption.

(source : Global Polymer News)

In India, Emmbi Industries is driving this shift through unique application

Conventional applications

Jute Bags
Concrete Canal Liners
Concrete / Metal Water Tanks
Metal Sludge Separator Tanks
Oil Based Anticorrosive Packaging
Paper Packaging Bags
Earthen Pots to Carry Water

Modern applications

PP Bags
Woven Polymer Canal Liners
Woven Polymer Flexi Tank
Woven PP Water Sludge Separator
Polymer Based Anticorrosive (VCI) Packaging
Polymer Based Paper Look Alike Bags
Plastic Water Tanks to Carry on Cycle

New Applications

Polymer Pond Liner
Crop Covers
Pneumatic Safety Systems
Woven Polymer "Lapeta Pipe"

Thank you!
Emmbi Investor Services:
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