

Evolve



Annual Report 2013-2014



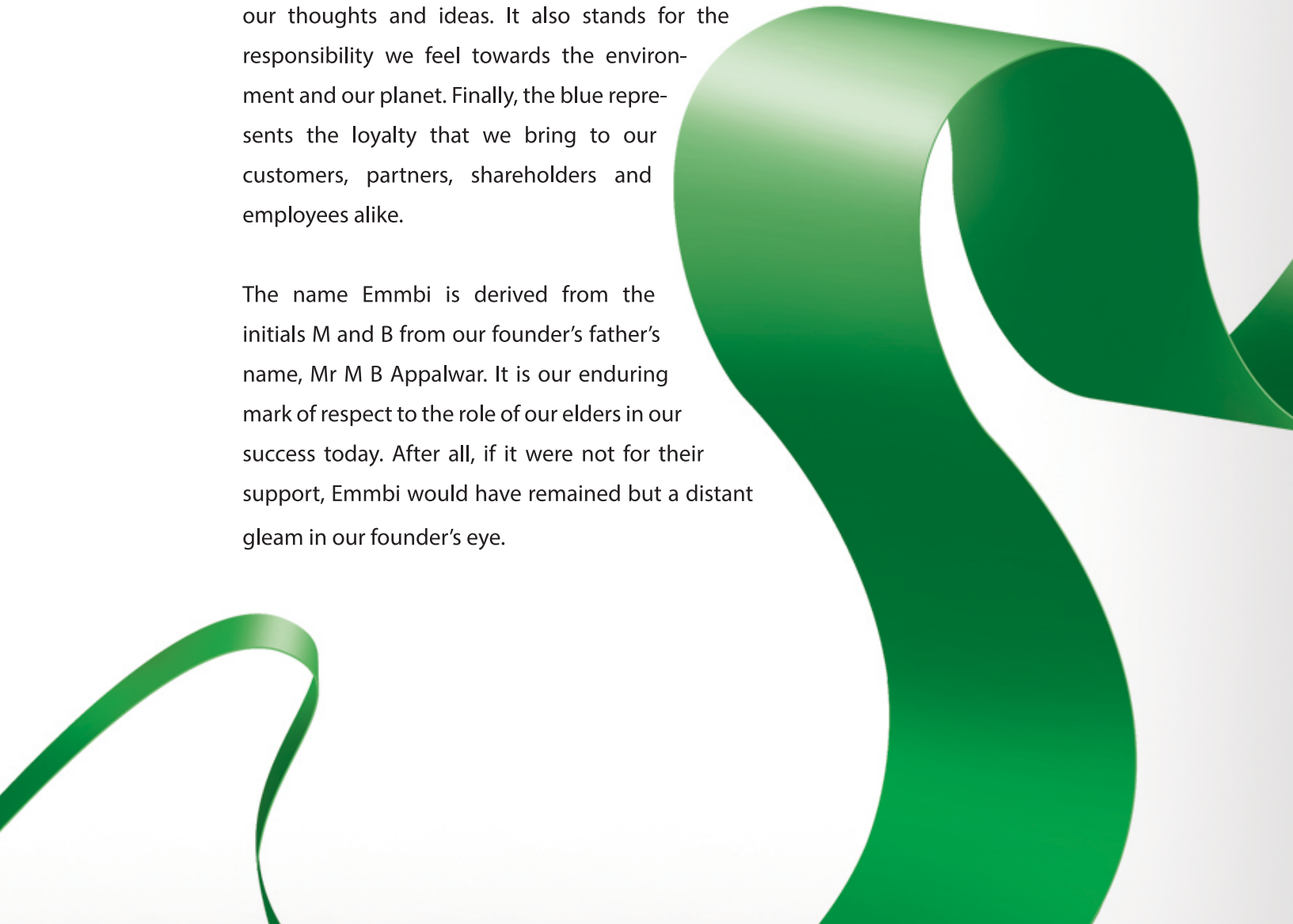


The Whizz

A symbol that embodies the Emmbi spirit

These two traits – innovation and flexibility – are embodied in our new brand identity. Our symbol (which we call the “Whizz”) is made up of three ribbons in an upward, swirling motion. The ribbons embody the freedom and the flexibility to take on any shape and any form and to fit in any situation, quite like our flexible approach when designing products for your requirement. The upward slant of the three ribbons represents our ambition and vision to become one of the world’s foremost specialty polymer processing company. At the same time, the ribbons are in a constant circular motion, representative of our global reach and the belief that “what goes around, comes around”. The colors of our symbol represent the traits that we as an organization are proud of. Yellow stands for the optimism and the energy that we bring to the table while working on your problem. The green embodies freshness in our thoughts and ideas. It also stands for the responsibility we feel towards the environment and our planet. Finally, the blue represents the loyalty that we bring to our customers, partners, shareholders and employees alike.

The name Emmbi is derived from the initials M and B from our founder’s father’s name, Mr M B Appalwar. It is our enduring mark of respect to the role of our elders in our success today. After all, if it were not for their support, Emmbi would have remained but a distant gleam in our founder’s eye.





From the Chairman's Desk

Dear Shareholders,

Change, it is said, is the only constant. The one that does not adapt to change invariably perishes. Nowhere is this truer than the world of business. The new post-digital world that we inhabit, flexibility and co-creation are tenets that every company that wants to succeed, must embrace.

At Emmbi, these qualities have been ingrained into us from the very beginning. We believe that it is our flexibility to work closely with our clients for tailor-make solutions for their specific needs combined with the immense trust and faith that our partners have reposed in us that has helped us becoming a force to reckon with in the Polymer industry. It is now time to look forward to the next phase of growth. To look at new horizons beyond our current markets and product mix that will firmly catapult Emmbi into the next growth orbit.

It is the background that I present to you our new brand identity. Over the last six months, Emmbi has worked closely with Interbrand, one of the world's leading brand consultancy firms, to evolve an identity that is in tune with our ambitions and our corporate ethos. We believe that our new identity accurately reflects the spirit of the new Emmbi. Perhaps the most obvious change that one sees is the symbol. The symbol has been designed in keeping with the values of Emmbi, and the logic and meaning of the symbol and the colors is detailed in the pages of this report. The name of our Company has changed from Emmbi Polyarns Limited to Emmbi Industries Limited. This is reflective of the wider horizons that we see in the future for our company, beyond just polymeric fabrics and yarns.

Emmbi Polyarns would never have come this far were it not for your support. And we hope that you would continue to support and encourage us as we embark on this new and exciting journey into the future, as Emmbi Industries.

Sincerely,

Makrand Appalwar
Chairman
Emmbi Industries Limited



CORPORATE INFORMATION

Board of Directors

Mr. Makrand M. Appalwar
Chairman & Managing Director
DIN : 00171950

Mrs. Rinku M. Appalwar
Executive Director & CFO
DIN : 00171976

Dr. (Mrs.) Mitravinda M. Appalwar
Non-Executive Director
DIN : 02716731

Mr. Sanjay R. Rath
Independent Director
DIN : 00022432

Mr. Prashant K. Lohiya
Independent Director
DIN : 02990858

Dr. Venkatesh G. Joshi
Independent Director
DIN : 01234871

Company Secretary & Compliance Officer

Mr. Kaushal R. Patvi

Statutory Auditors

K. J. Shah & Associates
Shop No. D-11, Sai Darshan - B,
Ram Baug Lane, Opp. Mulji Nagar,
Borivali (West), Mumbai 400 092

Board Committees

Audit Committee

Mr. Sanjay R. Rath (Chairman)
Mr. Prashant K. Lohiya
Dr. Venkatesh G. Joshi
Mrs. Rinku M. Appalwar

Nomination & Remuneration Committee

Mr. Sanjay R. Rath (Chairman)
Mr. Prashant K. Lohiya
Dr. Venkatesh G. Joshi

Committee of Directors Committee

Mr. Makrand M. Appalwar (Chairman)
Mr. Sanjay R. Rath
Mrs. Rinku M. Appalwar

Bankers

Punjab National Bank
Export Import Bank of India
Axis Bank

Share Transfer Agents

Datamatics Financial Services Limited
Plot No. B-5, Part B Crosslane,
MIDC, Marol, Andheri (East),
Mumbai 400 093
Tel: 022 - 66712151-56
Fax: 022 - 66712011
E-mail: investorsqry@dfssl.com

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
Website : www.emmbi.com

Corporate Office Address

Valecha Chambers, 3rd Floor,
Opp. Infinity Mall,
Andheri New Link Road,
Andheri (West), Mumbai 400 053
Tel: +91 022 6784 5555
Fax: +91 022 6784 5506

Company Identification Number (CIN)

L17120DN1994PLC000387

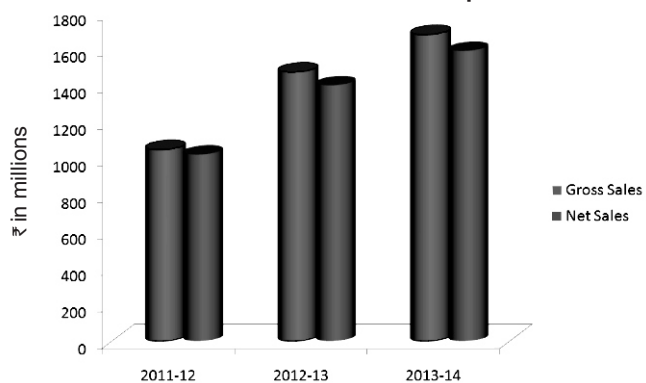
Stakeholders Relationship Committee

Mr. Prashant K. Lohiya (Chairman)
Mr. Sanjay R. Rath
Mrs. Rinku M. Appalwar

Corporate Social Responsibility Committee

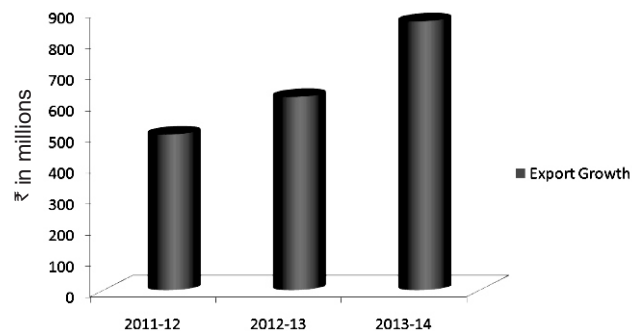
Dr. Venkatesh G. Joshi (Chairman)
Mr. Sanjay R. Rath
Mr. Prashant K. Lohiya
Mrs. Rinku M. Appalwar

Gross & Net Revenue From Operations



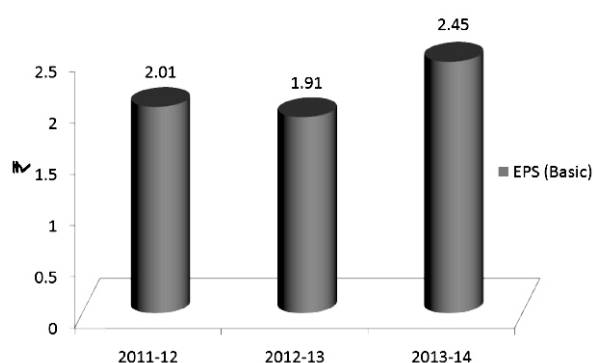
Financial Years

Export Growth



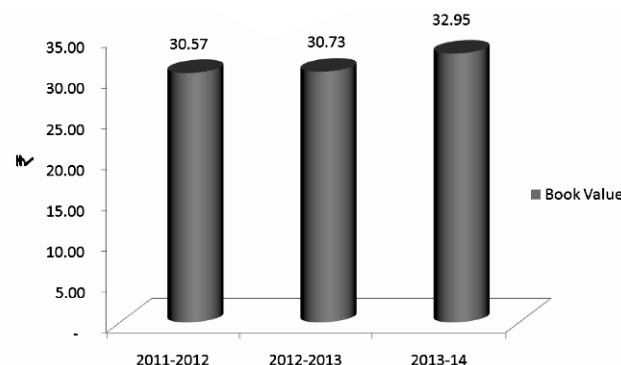
Financial Years

EPS (Basic)



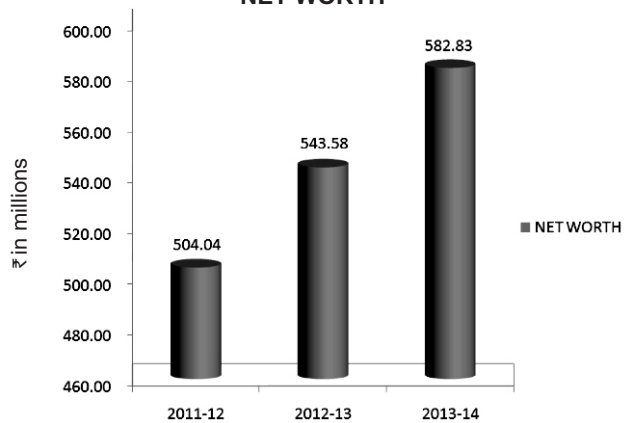
Financial Years

BOOK VALUE



Financial Years

NET WORTH



Financial Years

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NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Shareholders of EMMBI INDUSTRIES LIMITED (Formerly known as EMMBI POLYARNS LIMITED) will be held on 13th September, 2014 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 at 10.00 a. m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Audited Statement of Profit and Loss Account for the year ended 31st March, 2014 and the Report of the Directors and the Auditors thereon.
2. To approve payment of Dividend of ₹ 0.25 per Equity Share for the year ended 31st March, 2014.
3. To appoint a director in place of Ms. Rinku Appalwar (DIN: 00171976), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s. K. J. Shah & Associates, Chartered Accountants as Statutory Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To Consider and if, thought fit, to pass with or without modification, the following resolution as a **Special Resolution**.

“**RESOLVED THAT** in modification to the resolution passed by the Members at the 19th Annual General Meeting held on 30th September, 2013 and as recommended by Remuneration Committee and pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or re-enactment thereof for the time being in force, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including Schedule V to the said Act, consent and approval of the Company be and is hereby accorded to increase in payment of remuneration being paid or provided to Mr. Makrand Appalwar (DIN: 00171950) Chairman & Managing Director of the Company with effect from 1st April, 2014 to 31st March, 2015 (Unexpired term of his appointment).

Basic Salary ₹ 4,75,000/- per month.

RESOLVED FURTHER THAT all other terms and conditions relating to the perquisites except the remuneration shall remain the same as decided by the Members at 19th Annual General Meeting held on 30th September, 2013.

RESOLVED FURTHER THAT notwithstanding anything to

the contrary herein contained, where in any financial year during the currency of the tenure of the Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company will pay the above remuneration by way of salary, bonus, perquisites and allowances as specified above as minimum remuneration.

RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

6. To Consider and if, thought fit, to pass with or without modification, the following resolution as a **Special Resolution**.

“**RESOLVED THAT** in modification to the resolution passed by the Members at the 19th Annual General Meeting held on 30th September, 2013 and as recommended by Remuneration Committee and pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or re-enactment thereof for the time being in force, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including Schedule V to the said Act, consent and approval of the Company be and is hereby accorded to increase in payment of remuneration being paid or provided to Mrs. Rinku Appalwar (DIN: 00171976) Executive Director of the Company with effect from 1st April, 2014 to 31st March, 2015 (Unexpired term of her appointment).

Basic Salary ₹ 4,50,000/- per month.

RESOLVED FURTHER THAT all other terms and conditions relating to the perquisites except the remuneration shall remain the same as decided by the Members at 19th Annual General Meeting held on 30th September, 2013.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay the above remuneration by way of salary, bonus, perquisites and allowances as specified above as minimum remuneration.

RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in furtherance to the resolution passed by the Members of the Company at 19th Annual General Meeting held on 30th September, 2013 and pursuant to

Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to Ordinary Shares/ 'A' Ordinary Shares and/or rupee/ foreign currency convertible bonds and/or bonds with share warrants attached (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans, shall not, at any time exceed ₹1000 Crores (Rupees One Thousand Crores only) or the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, whichever is higher".

- 8 To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

"RESOLVED THAT in furtherance to the resolution passed by the Members of the Company at 19th Annual General Meeting held on 30th September, 2013 and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions of the Companies Act, 2013, the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose), be and is hereby authorised, subject to requisite approvals, if any, as may be required from any of the concerned authorities to borrow money, from time to time, at its discretion either from the Company's bankers or any other bank, financial institution or any other lending institutions or persons (including Foreign Institutional Investors, Non Resident Individuals, Associations and Corporate Bodies) on such terms and conditions as may be considered suitable by the Board up to a limit not exceeding in the aggregate ₹1000 Crores (Rupees One Thousand Crores only) notwithstanding that the money to be borrowed together with the money's already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose and the Board of Directors be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit".

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

Date: 27th May, 2014
Place: Mumbai

**Kaushal Patvi
Company Secretary**

NOTES

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and a 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 wherever applicable is attached and forms part of this Notice.

4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, 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). Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e., physically and e-voting, then votes casted through e-voting shall be only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCEDURE FOR E-VOTING

A. The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting for the Meeting. The instructions for e-voting are as under:

I. For Members receiving e-mail on their registered email ids from CDSL:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdsindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

II. In case of members receiving the physical copy:

- Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - Members can cast their vote online from 9.00 a.m. on Monday, September 08, 2014 UPTO 6:00 p.m. on Wednesday, September 10, 2014. E-Voting shall not be allowed beyond 6.00 p.m. hrs of September 10, 2014. During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the record date may cast their vote electronically. The record date for the purpose of e-voting is August, 8, 2014.
 - 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- The Company has appointed Mr. Sanjay Dholakia, Practising Company Secretary, Membership No. FCS 2655 & CP 1798 as the Scrutinizer to count the votes casted in favour or against the resolutions proposed from item No. 1 to 8 of the Notice for point No. 5 as mentioned hereinabove and to comply with the provisions of Section 108 of the Companies Act, 2013. He will submit his report on 11th September, 2014 to the Chairman of the Company and in turn the Chairman will announce the same on the date of Annual General Meeting.
 - The Register of Members and Share Transfer Register of the Company will remain closed from Wednesday, 10th September, 2014 to Saturday, 13th September, 2014 (both days inclusive).
 - The members are requested to:
 - Inform the particulars of their bank account and any change of address to their respective Depository Participants only and not to the Company or to the Registrars for members holding shares in Electronic (Demat) form.
 - Submit particulars of their bank account, viz. Name and address of the branch of the bank, 9 digit MICR code of the branch, type of account and account number and any change of address to the share transfer agents of the company viz. 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: emmbliinvestors@dfsfl.com, for Members holding shares in physical form.
 - Address all correspondences, including dividend matters and change in address to the Share Transfer Agents 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: investorsqrydfsfl.com.
 - Quote ledger folio numbers, Client ID and DP ID in all their correspondence.
 - Bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
 - Write atleast 10 days prior to the date of the Meeting, any information which they desire on the accounts, to enable the management to keep the information ready.
 - Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.
- Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Datamatics Financial Services Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
 - 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 (Section 205A of the erstwhile Companies Act, 1956) 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.
 - 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 Financial Services Limited.
 - 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, Circulars, etc. from the Company electronically.**