

A full-page background image of a red lighthouse with three white-framed arched windows, situated on a dark, craggy rock island. The lighthouse is illuminated from within, casting a bright glow. The sea is turbulent, with large white-capped waves crashing against the base of the rock. The sky is dark and stormy, with faint lightning bolts visible in the background.

# The Spirit *of* Emmbi

Annual Report 2021



# Corporate Information

## BOARD OF DIRECTORS

Mr. Makrand M. Appalwar  
Chairman & Managing Director

Mrs. Rinku M. Appalwar  
Executive Director & CFO

Mr. Krishnan I. Subramanian  
Whole-Time Director

Mr. Rama A. Krishnan  
Independent Director

Mr. Prashant K. Lohiya  
Independent Director

Dr. Venkatesh G. Joshi  
Independent Director

## COMPANY SECRETARY

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 4979 0304  
Email: info@emmbi.com  
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

### Stakeholders Relationship Committee

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

## BANKERS

Axis Bank Limited  
ICICI Bank Limited  
DBS Bank India Limited  
Saraswat Co-Op. Bank  
State Bank of India

## SHARE TRANSFER AGENTS

Datamatics Business Solutions 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

### Corporate Social Responsibility Committee

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

### Committee of Directors Committee

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





What began as a bad dream last year, continued to evolve into the worst nightmare that humanity could think of. Plans shelved, initiatives postponed. And hopes dashed. The proverbial light at the end of the tunnel, it turns out, seemed to be an oncoming train.

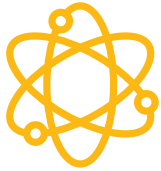
But even as the world grapples with Covid's extended reign, humanity continues to soldier on, always inventing newer ways of mitigating the effects of the disaster. In the year gone by, the world has seen countless inspiring stories of everyday heroes, who battled great personal and professional challenges to bounce back and win the day. Perhaps it is this quality that makes humans such a wonderful race.

At Emmbi, we've had our share of challenges, trials and tribulations. But the spirit of our employees, the support of their families and above all, the steadfast belief that tomorrow would dawn brighter saw us through a difficult year.

In this edition of our annual report, we bring you a few inspiring stories of our employees who went above and beyond, fighting impossible circumstances and deadlines, to deliver:  
The world calls it resilience.

We call it The Spirit of Emmbi.

# Our Business



## International Business

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**Major Products:** Industrial Packaging, Container Liners, Advanced Composites

**Major Sectors:** Pharmaceuticals, FMCG, Chemicals, Food, Construction, Automobiles

**Major Geographical Markets:** 66 Countries worldwide



## Domestic Business

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**Major Products:** Industrial Packaging

**Major Sectors:** FMCG, Automobiles, Chemicals, Food

**Major Geographical Markets:** Maharashtra, Gujarat, Madhya Pradesh, Goa, Karnataka, Delhi-NCR, Dadra and Nagar Haveli and Daman and Diu



## Avana Consumer Durables

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**Major Products:** Avana Jalasanchay, Avana Jalasanchay Super

**Major Sectors:** Water Conservation, Agriculture, Aquaculture

**Major Geographical Markets:** Maharashtra, Rajasthan, Karnataka, Madhya Pradesh, Punjab, Haryana



## Avana Consumer Goods

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**Major Products:** Avana Kapila Murughas Bag, Avana Anant Leno Bag, Avana Tank, Avana Rakshak Tarpaulin, Avana Prabal Thread

**Major Sectors:** Agriculture, Agri-inputs, Agri-packaging, Dairy

**Major Geographical Markets:** Maharashtra





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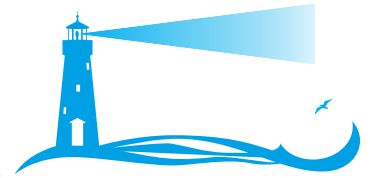
Perhaps the greatest strength of humanity lies in its Resilience. Of fighting. Of taking body blows. And always getting back up to fight another day.

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# Chairperson's Address

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Dear Shareholders,

On behalf of the Board and the Employees, let me welcome you to the 27th Annual General Meeting, and thank you for being a part of the Emmbi family. I'm pleased to announce that our grit, determination, and resilience have helped overcome the obstacles thrown at us in the past 12 months, and we have once again grown our business. I had mentioned earlier that the strengths of our research, engineering capabilities, adaptability and developing human potential would pay off in the long run and am happy to re-iterate that it has aided us in these challenging times.

The combined effect of the of the lockdowns, disruptions across supply-chains, the fear, and pessimism shrunk the global economy by 4% and Indian economy by 7.6% in FY 20-21. It was an unprecedented year for industries across the globe, made only worse as it was preceded by the year (2019) that witnessed the slowest growth rate in almost a decade. Governments, and Central Banks, announced fiscal, and monetary measures to limit the damage, and assuage fears. Emmbi's prominent export markets, the US and Euro zones contracted by 4.30% and 6.80% respectively; we on the other hand, thanks to our product diversity, and superiority were not only able to grow in these markets, but also maintain our premium price points. The global outlook for '21 whilst not necessarily at its best, is at an acceptable 5.50%.

The Indian economy that had been gradually slowing down over the three years, contracted by almost 8% in fiscal '21; this was more pronounced in the first two quarters on account of the lockdowns, and reverse migration of labour. Despite the measures announced by the governments, and the RBI, capacity utilisation and consumer spending remained at record lows, which adversely affected both manufacturing, and services sectors. Given the present uncertainties, the economy (even from a lower base) is best expected to achieve an 8.5% growth, in fiscal 22, before moderating to 6% the following year.

We were impacted more on account of the lock-down and the subsequent shortage of labour (migrant workforce). We had 34 days as loss of the workdays for the manufacturing activity as an impact of Covid-19 during FY 20-21. Demand in the initial quarters (which despite the conditions, remained steady) and improve sequentially as the year progressed.

## Outlook: What about the new year?

Demand: In the subsequent fiscal, the export demand is forecasted to be strong. We are already witnessing positive trends in the first quarter, and have an exceptionally strong order book, given the current situation.

Avana's Jalasanchay business was impacted this year due to reduced spending on consumer durables, as the country witnessed recessionary trends; however, here too, we are witnessing a pick-up in Q1.

The domestic sector is facing a slowdown, as seen by FMCG trends, however we are looking at Avana's Retail division to pick up the slack in the coming year. So far, we've been able to on-board 200+ multi-brand outlets to sell our retail products, and we plan on touching 1000 within the next fiscal, leading to an Avana Retail top-line of over Rs. 10 Crores in FY 22.



We have also launched a powerful CRM software, Salesforce, for efficient running of the B2C division. This is helping us improve follow-up with leads, as well as aiding in customer relationship and service management.

We are creating an online retail presence, through [avanamart.com](http://avanamart.com), which will sell smaller packages of our retail products. In addition, we will also focus on stronger inventory management software, warehousing, and selling through established e-commerce channels such as Flipkart and Amazon.

Given the above, if all else remains equal, we are expecting a robust growth of 25-30% in the next fiscal.

## 2021 – Year of Resilience

We commenced this fiscal with the government-imposed lockdown, and the first thing on our minds was to protect the company and shareholder interest. First, we ensured every employee's well-being, and then made sure we had adequate financial resources to counter the un-knowns. Next, we realigned the processes, and shifted resources to business and product lines that we felt would do well in the short-term (our flexible manufacturing facilities helped do this promptly). We hired local labour and skilled them through sustainable initiatives- Men (Operation- Dronacharya) and Women (Operation- Kalyani Brigade); this helped in minimising the impact of the migrant workforce returning homes to a large extent. That done, we engaged with our clients, suppliers, on a continual basis, which helped the flow of business, and reassured interested parties on our strengths. We then embarked on operating efficiency measures (Project Manthan) that translated into enhanced productivity.

In a year which unfortunately had more of despair than hope, the increased demand for the FIBC products made us tie-up with parties for contract manufacturing (where our investments would be low or negligible, in other words an asset-light model), that would handsomely augment our top-line the coming fiscal. We also tested, and soft launched, flexible-portable Avana tanks for the rural markets. Avana roped in well acclaimed celebrity 'Sayaji Shinde' as its Brand Ambassador, and TV commercials, and jingles were rolled out in select states.

We are certain that these efforts would commence to bear fruits, on the financial performances from the coming quarters.

The past year was of hardships, and sacrifices, across the world; we chose not to despair, but be resilient, protect stakeholder interests and grow. I am reasonably confident that your company will continue to make improvements on all operational, and financial parameters the coming years, and years to come.

I once again thank all our stakeholders for the faith entrusted upon us.

Warm Regards,

Makrand Appalwar

Chairman & Managing Director

Date: 25th June , 2021

Place: Silvassa







**Avana**<sup>TM</sup>  
a division of **emmbi**



One of the many artificial ponds that Emmbi's Avana division has deployed, at Jalna district, Maharashtra.

# Your Directors

At Emmbi, a talented, capable and dedicated Board of Directors helps us set our vision, and give shape to our dreams. Each of these directors brings a wealth of experience and unique expertise to the table.

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

Mr. Makrand Appalwar is a first generation entrepreneur instrumental in envisioning, and transforming Emmbi from a trading company, to a large-scale manufacturer and exporter. He has over two decades of rich experience in the polymer industry, and is the recipient of many awards. He lays great emphasis on teamwork, heads specific functional departments like marketing, branding, corporate strategy, drives product development through R&D, 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** **Executive Director & CFO**

Mrs. Rinku Appalwar, the co-founder of Emmbi Industries heads specific functional departments like accounts, finance, banking, compliance & legal, procurement, logistics, production and HR & Admin. 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 listed company. Rinku is a graduate in Chemistry from Mumbai University, and an alumnus of The Indian Institute of Management, Bangalore.

## **Mr. Krishnan Subramanian** **Wholtime Director**

Mr. Krishnan has a combined experience of over 25 years in the fields of Strategic Planning, Risk Management, Private Equity and M&As. He holds a key influencer role at a family office, which has interests in India's largest privately held logistics entity with supra-national ownership. He is also an active investor in the start-up space in India, Singapore and the US, and sits on the Advisory Board of a Microsoft ISV. He has been engaged with and overseen multiple fund raises of over \$600 million, and M&As of over over \$5 billion. His professional career has been associated with the Banking, Private Equity, Information Technology, Manufacturing, and Services verticals, and given him the rich exposure of working with 60 different nationalities. 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.

