

19<sup>th</sup> August, 2022

To,  
Dept. of Corporate Services,  
**BSE Limited**,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001  
**Company Code: 533161**

To,  
The Listing Department,  
**National Stock Exchange of India Limited**,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai - 400 051  
**NSE Scrip Code: EMMBI**

**Sub: Corrigenda to Annual Report 2021-2022**

Dear Sir/Madam,

This has reference to our letter dated 17<sup>th</sup> August, 2022 with regards to the Submission of Annual Report for the financial year 2021-22.

Post submission of the Annual Report to the Exchanges, an inadvertent error has been noticed in the said Annual Report. In connection with the same, we wish to clarify the error, as under:

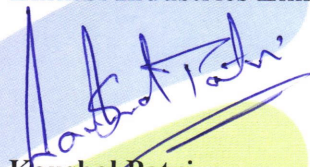
- 1) On Page No. 24 of the Annual Report 2021-22, 'Annexure I to the Notice dated 13<sup>th</sup> September, 2022' be read as 'Annexure I to the Notice of AGM to be held on 13<sup>th</sup> September, 2022' and
- 2) On Page No. 26 of the Annual Report 2021-22, 'Annexure II to the Notice dated 13<sup>th</sup> September, 2022' be read as 'Annexure II to the Notice of AGM to be held on 13<sup>th</sup> September, 2022'

We sincerely regret the inconvenience caused to you.

Kindly take the same on records.

Thanking you,

Yours faithfully,  
**Emmbi Industries Limited**

  
**Kaushal Patvi**  
Company Secretary & Compliance Officer



17<sup>th</sup> August, 2022

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Dept. of Corporate Services,  
**BSE Limited**,  
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Mumbai - 400 051  
**NSE Scrip Code: EMMBI**

**Sub: Submission of Annual Report for the financial year 2021- 22**

Dear Sir/Madam,

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find enclosed 28th Annual Report for financial year 2021-22 comprising Notice, Directors Report, Auditors Report and Audited Financial Statements together with the instructions on Remote e-Voting as prescribed by Securities and Exchange Board of India ('SEBI') and instructions for attending the AGM through VC/OAVM and other general instructions.

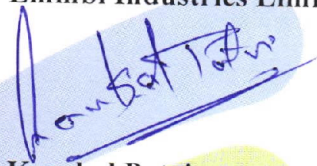
Further, please note that the 28<sup>th</sup> AGM Notice and Annual Report 2021-22 is also available on the Company's website at [www.emmbi.com](http://www.emmbi.com).

Kindly take the same on record.

Thanking you,

Yours faithfully,

**Emmbi Industries Limited**



**Kaushal Patvi**  
**Company Secretary & Compliance Officer**



Encl: As above



# Bouncing Back

Annual Report 2022

# Corporate Information

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## 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 and Daman & Diu  
Silvassa – 396 230  
Tel: +91 (0260) 320 0948  
Fax: 022 4672 5506  
Email: info@emmbi.com  
Website: 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  
DBS Bank (India) Limited  
ICICI Bank Limited  
Saraswat Co-Op. Bank Limited

## 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

Scan the QR code and  
get more information  
about us:





The last two years have been unprecedented in the history of the planet. Whoever thought that a sub-microscopic particle that was discovered in a wet market in China could bring the entire world to a standstill? Cities deserted, offices empty, factories silent, hospitals overflowing at the seams and practically all of the world's citizens locked up in their homes?

The world soldiered on, a vaccine was created and normalcy seemed to be fast returning. Until it wasn't. As the disease ravaged our planet, humanity hunkered down for what promised to be a long haul, stories of resilience and fights against all odds inspiring it.

But as 2022 dawned, so did our spirits. We realized we could live with the virus and life could get back to normal (whatever that meant).

This edition of our Annual Report then, is dedicated to **The Great Bounce Back**. It features stories of people, companies and indeed, the planet itself, that bounced back from near impossible lows.

It is this spirit that drives us at Emmbi.

# Our Businesses

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## 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:** 70 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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# Our Story

Emmbi Industries was started in 1994 by first-generation entrepreneurs, Makrand and Rinku Appalwar

At a time when it had become a norm to study and settle abroad, Rinku and Makrand's love for the country made them stay back. Hailing from Chandrapur in Maharashtra, which is a cement-manufacturing hub, Makrand saw an opportunity in manufacturing industrial grade polymer bags. Rinku and Makrand believed that polymers, if used correctly, had the potential to deliver the greatest service to mankind. What began as a small trading enterprise in Makrand's living room, has transformed into India's most valued polymer processing company. One thing that has remained constant, though, is our vision of using polymers for a brighter world. From being the pioneers of recycle FIBCs to creating the world's most affordable water conservation system, we have always used our innovative ideas to make communities happier and brighter.

## 1994 -1997

1994: Emmbi Polyarns Limited was registered as a Private Limited organization. The seeds to creating a brighter tomorrow were sown.

1994-1997: We completed the construction of Sita- Emmbi's first manufacturing unit.

July 1997: We initiated the first production run at Sita, which was completed on August 2, 1997.



## 2001 – 2004

2001: Emmbi introduced heat stable packaging, that can withstand temperatures up to 120° C.

2004: Emmbi created Poly-Jute Packaging for Tea for the first time in India.



## 1997 – 1999

1997: We launched our first PWS-based packaging solution for the Consumer Goods market, as a replacement for the, then common, Paper Corrugated Boxes.

1999: Emmbi became India's First ISO 9001 certified company in the woven polymer sector for design & manufacturing!

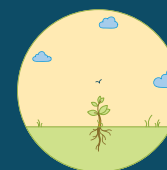


EVERY

## 2004 – 2006

2005: Emmbi initiated its first large-scale expansion, to create a capacity of 6,000 MT Per annum. This was the first in a series of capacity expansions that Emmbi would undertake.

2006: We took our first steps to becoming a global leader, with the production of FIBCs for global clients. We also commissioned Janaki-our second unit.



# Brand Pillars



2007 – 2010

2009: Emmbi developed a cattle-safe Canal Liner. While still a niche product, this set the stage for creating world-changing products in the agricultural space, later.

2010: Emmbi was listed on the two major stock exchanges in India – NSE and BSE.



2015 – 2017

2015: We launched our Emmbi Innovation Lab to drive innovations. Over the next 2 years, we applied for 14 patents and our exports topped INR 1 billion.

2016: We entered the agricultural consumer business with the launch of our brand, Avana – focused on putting farmers first through affordable water conservation.

2017: We developed Emmbi CleanTec, a facility for food and pharma-grade manufacturing.



STEP

COUNTS



2011 - 2014

2010-2012: Rampriya and Valdehhi units were constructed. We tripled our capacity to 18,200 MT per annum!

2013: Emmbi pioneered the concept of single-homopolymer manufacturing design to make one of the world's first "Green" FIBCs.



2018 - 2022

2019: We created Jalasanchay Super, the world's first blue pond lining designed to improve farmer income through aquaculture.

2021: We launched 6 new products in the agri-inputs space, moving Avana from a consumer durables co. to becoming a trusted player in small-ticket agri-inputs.

2022: Today, we loom to the next horizon, transforming ourselves into a global business that constantly brightens lives in all the communities we operate in.



# Brighter Every Way

**Our vision is to create a brighter world for all our stakeholders**



#### **Brighter for our Customers:**

Whether it is their bright and colorful pattern or legends of the Genie with magical powers, traditional Arabian lamps have held the mystique of bringing good fortune and riches to their owners. At Emmbi, we aim to do the same by thinking differently, which helps us add maximum value to our customers and their business. At Emmbi, we believe that it's not just our products but the buying experience in its totality, that can make a difference to our customers. Which is why, we bring cutting-edge, cross-category knowledge to the table. This, coupled with the best of production techniques, a lean manufacturing philosophy and a near Six-Sigma level of operations go a long way in brightening our customers' business.



#### **Brighter for our Employees:**

Thomas Edison's invention has perhaps single-handedly changed the course of many-a-lives, and history itself. The humble table lamp is a symbol of the hard work and toil that millions of working-class individuals put in, in the quest for a better lifestyle. At Emmbi, we do our bit to brighten our employees' lives. We do this through our various Human Resource policies and programmes that encourage independent and creative thinking, an entrepreneurial spirit and active contribution to ideas. For more information, visit our Careers page.

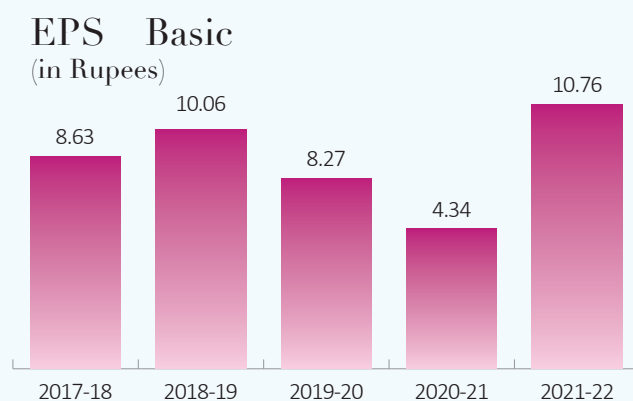
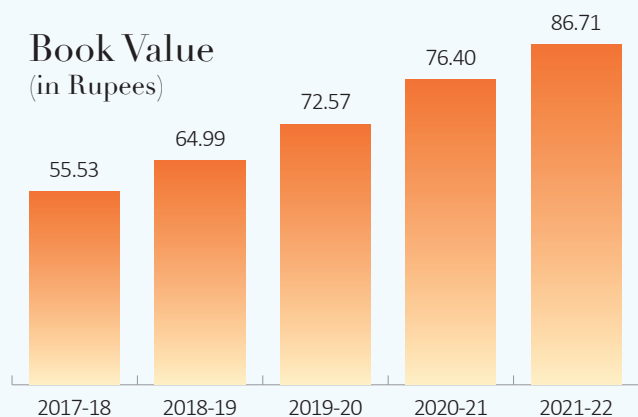
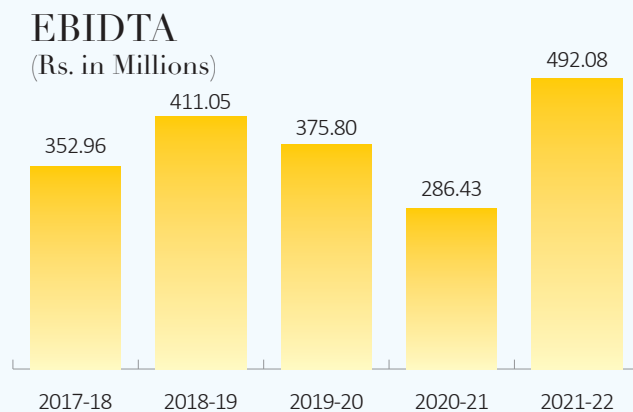
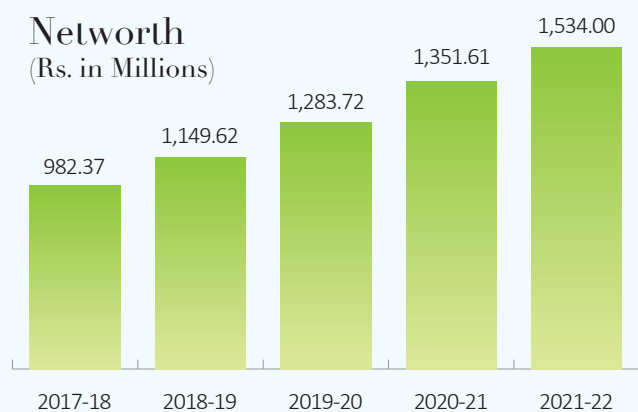
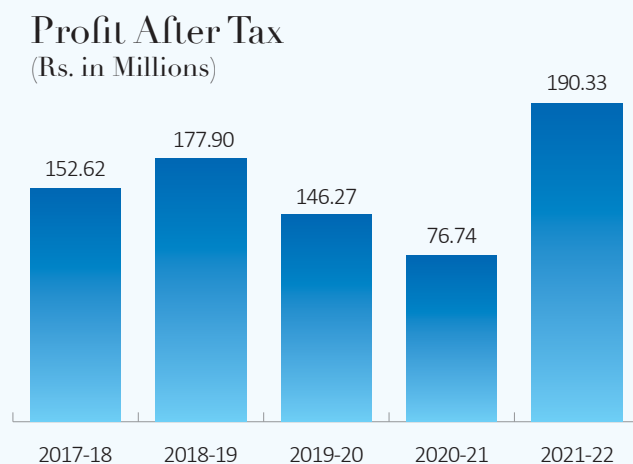
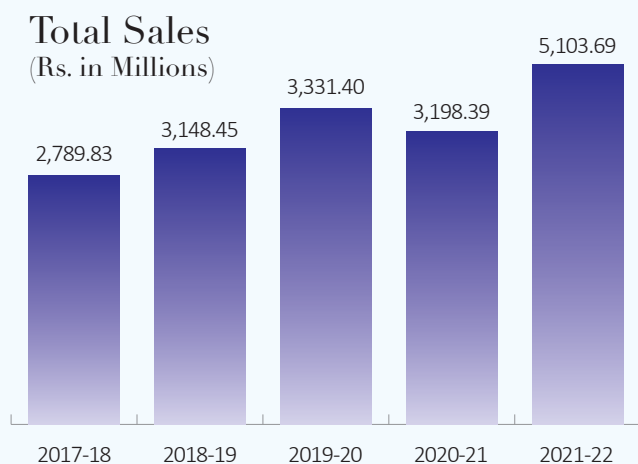


#### **Brighter for our Partners:**

Traditional earthen lamps are used in the annual 'Chopda Pujan' that the Indian business performs, during Diwali. Businessmen pray to the god of wealth, for greater prosperity. On its part, Emmbi helps spread prosperity to our partners with a raft of initiatives – from implementing the most modern ERP systems to exercising total transparency in our dealing and automating our buying processes. Little wonder then, that a majority of the partners we work with – whether national or international – have continued to be our partners for as long as Emmbi has existed.



# Financial Performance





- Protecting grapes from frost at Napa Valley.



- Ensuring coffee retains its aroma, in Brazil.



- Ensuring medicines reach all the people in need, in European countries.



- Helping build Uruguay's infrastructure by transporting material.

Today, Emmbi is  
brightning lives in over  
70 countries, worldwide!



- Helping irrigation in thousands of farms, in India.



- Helping put food on their plate, for millions of Australians.



Emmbi Foundation Trust – a philanthropic arm of the company focuses on the environment and society at large. Emmbi foundation is engaged in promoting preventive healthcare and sanitation, apart from many other social initiatives. The foundation also undertakes, Comprehensive health awareness projects to promote inclusive and special needs of Physical & Mental health education. With a 360-degree approach, the very purpose of our efforts at Emmbi Industries has gratified with our scintillating journey. As a member of a global community, Emmbi is striving to adapt to the evolving needs of society and contribute to overall health and well being of planet and its citizens. The foundation undertakes several rural development projects, to promote inclusive and special needs education and works towards enhancing the vocational skills among children, women, elderly and the disabled.

# SR



SOCIAL



RESPONSIBILITY



### Physical, Mental Healthcare and Sanitation

Promoting Preventive Healthcare,  
Mental Health and Sanitation



### Inclusive Education

Promoting Inclusive and Special  
needs education



### Water Conservation

Promoting water conservation through our  
products and educational efforts



### Empowerment of Women

Empowering women by education and  
enhancing the vocational skills

# 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 bring 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** **Wholetime 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 funds and has raised over \$600 million, and M&As of over \$5 billion.

His professional career has been associated with the Banking, Private Equity, Information Technology, Manufacturing, and Service 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 he also holds an Accounting Diploma and is a certified IFRS specialist. He is also an alumnus of MIT-Sloan School of Management, Boston (US).

**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 R. A. 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.



**Mr. Prashant Lohiya**  
**Independent Director**

Mr. Prashant Lohiya, a practicing Chartered Accountant is a Fellow Member, Institute of Chartered Accountants of India (F.C.A.) has expertise 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 (ICAI). He has presented various 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.



**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 (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.

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.





“ From staring at doom and gloom all around,  
humanity has emerged stronger, more resilient.  
It is now time to bounce back. ”

# Chairman's Address 2022- Year of Bounce Back



Dear Shareholders,

On behalf of the Board and the Employees of Emmbi, let me warmly welcome you to the 28<sup>th</sup> Annual General Meeting and once again thank you for being a part of the journey. Fiscal 2022, was the year of reckoning, and many records. We crossed the Rs. 5 bn mark in terms of Revenues, Exports were over Rs. 3 bn, and we recorded the highest profits in the history of Emmbi at Rs. 190 million. When I reflect over the past two financial years- Fiscal '21 was a year of resilience and tempered growth; While Fiscal '22, can be termed as a period of 'bounce-back, as we clocked a whopping growth of around 60% and created a platform for sustainable growth. Our continued investments in R&D for improved polymer technology, human capital, our engineering capabilities, and adaptability have been the drivers in achieving the record Revenues, record EBITDA, and record Profits in the past 28 years.

The Domestic outlook is tempered optimism given uncertainties across the globe, inflation, and consumer's hesitancy to spend; the Global outlook appears muted given the situation in Ukraine, and the spill-over effects of it across Europe. The IMF estimates the Emerging Markets and Developing economies to grow at 4.50%, and the Advance Economies at 2.50% approximately.

Your Company will be taking very cautious approach towards the Capital Expenditure during the period on next three fiscal. We will be depending more on contract manufacturing for the growth till all the dust settles down and there is better clarity of vision for years to come. The route of outsourced contract manufacturing will help us to maintain the growth and will help company to be further asset light. I have always insisted that growth should always be sustainable, and it cannot be at the expense of margins; all operating parameters witnessed a smart turn-around, and I can assure you that your company would continue to grow, without compromising on margins.

International tread ware at best of its level since the beginning of the export by the company. All the buying partners were supportive and were willing to continue business with company at the expanded level. Prolonged relationships with various companies across the world was a key factor to create a cross functional knowledge which helped us to create solutions for most of our customer base. Consistent supply of high quality product in the international market helped us to get better premium over previous years. This resulted in whopping growth of 73% in export during operating year 2021-22. We will continue our efforts to improve further on all parameters such as Price, Quantity and reach to make company more stable and versatile.

Domestic Packaging division also supported whole heartedly with the robust annual growth. We were able to achieve this with the launch of few import substitute products which were in line of government's Aatma Nirbhar Bharat mission, we are sure we will be able to maintain the growth curve upward during this fiscal also.

When everyone was doing well how can Avana be on Low, As always it made its fantastic contribution through both consumer durable and consumer retail divisions of the business. Though there was substantial price pressure during the rising costs in the segment the worthiness of the product and trust of the customer helped us to navigate the trend in the upward direction.

Sustainability in the polymer processing is now of the paramount importance to the global stakeholders in the entire supply chain. This is a pathbreaking year in terms of the Regulations for the Use of Recycled Polymer. UK became the first country to impose a Newly postulated tax on the consumption of the polymer-based packaging. A Special tax called Plastic packaging tax was introduced this year on the packaging material which is produced or imported in UK and includes at least 30% recycled polymer by weight. The implemented tax is recovered at the rate of 200 sterling pound per metric ton. In order to get the exemption from this tax and to make the material produced by Emmbi more sustainable we started a Special range of the products Named Reclaim 30 ™ this is a Special range where all the products under this are produced using minimum 30% of the recycled resin. This ability to consume post-consumer recycled (PCR) waste will change complete world's focus towards the use of the polymer based products. We are working extensively to develop the front and backward linkage for the supply and consumption of the post-consumer recycled waste.

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

Warm Regards,

Makrand Appalwar

Chairman & Managing Director

Date: 16<sup>th</sup> May, 2022

Place: Silvassa



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

One of the many ponds that Emmbi's Avana division has created at Belagavi district, Karnataka .



*(image: theengineer.co.uk)*

# “My biggest thrill is when I plan something and it fails.”

– Soichiro Honda

Imagine following your dream relentlessly, surmounting failure after failure and finally building a factory and employing 2,000 people. Your dreams finally seem to be coming true. And then, your factory that you so lovingly built, is reduced to rubble by a bomb! This is the story of Soichiro Honda, the founder of the Honda Motor Company and his bounce back from the absolute rock-bottom to the world's most respected automotive engineer:

Born to a blacksmith and a weaver in the village of Komyo, near Hamamatsu, Soichiro had neither the opportunity nor the inclination for formal education. At age 15, Honda saw an advertisement in Bicycle World magazine for an automobile servicing company by the name of Tokyo Art Shokai. Although not a recruitment notice, it was attractive enough for Honda to write speculatively pitching for employment.

By 1928, Honda had completed his apprenticeship at Tokyo Art Shokai and had returned home to open a branch in nearby Hamamatsu. During this time, he earned the nickname 'Edison of Hamamatsu' due to his high levels of creativity and innovation.

By 1937, Honda had founded Tokai Seiki to produce piston rings for Toyota. It was a shaky start, with the early output having quality standards success rates as low as 6%. Undeterred, Honda spent the next two years visiting universities and steelmakers across Japan to study manufacturing techniques. He finally perfected them and was able to secure large orders from companies such as Toyota and Nakajima Aircraft. At its peak, his factory employed over 2,000

people. Honda seemed to be on his way. And then, his factory was reduced to rubble amidst Allied bombing during World War II. If that wasn't enough, the Nankai earthquake of 1945 completely wiped it out.

Honda could have walked away, tried his hand at something else. But, no. He started from scratch, selling the remnants of the Hamamatsu plant and using the proceeds to found the Honda Technical Research Institute which dedicated itself to getting the nation mobile again.

His solution? Retrofitting surplus generator parts to bicycles to create 'motorized bicycles'. Soichiro poured himself into the creation of motorized bicycles and relentlessly improved on the design. Using his limited resources he would disassemble and modify the repurposed generator motors to make them run more efficiently. For the next 10 years, the Honda Motor Company would experience several catastrophes that would derail the company from near bankruptcy, lack of distribution, and production issues. Each time Honda would bounce back and continue to innovate production and quality.

He finally got his break in 1958, with the production of the Super Cub – a runaway success. To this day, little has changed in the Super Cub design and it remains in continuous production with over 100 million units produced. Many consider it to be the greatest motorcycle ever produced. In Honda's own words, "Success represents the 1% of your work which results from the 99% that is called failure."

# Notice of the Annual General Meeting



## NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of the members of Emmbi Industries Limited will be held on Tuesday, 13<sup>th</sup> day of September, 2022 at 11.30 am IST at/through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), 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 31<sup>st</sup> March, 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare payment of Dividend of Re. 0.60 per Equity Share for the financial year ended 31<sup>st</sup> March, 2022.
3. To appoint a Director in place of Mr. Krishnan I. Subramanian (DIN 06614842) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To re-appoint M/s. R. Daliya & Associates, Chartered Accountants as the statutory auditors of the Company and to fix their remuneration for a second term of five years.

**"RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time ("Act") and based on the recommendation of the Audit Committee, M/s. R. Daliya & Associates, Chartered Accountants, Firm Registration No. 102060W, be and are hereby re-appointed as the statutory auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of 28<sup>th</sup> annual general meeting until the conclusion of the 33<sup>rd</sup> annual general meeting of the Company.

**RESOLVED FURTHER THAT** approval be and is hereby accorded for payment of statutory audit fees plus reimbursement of out of pocket expenses and applicable taxes to M/s. R. Daliya & Associates, Chartered Accountants and the Board of Directors of the Company, be and are hereby authorised to increase and pay such statutory audit fees as recommended by the Audit Committee and as they may deem fit for the tenure of their appointment."

## SPECIAL BUSINESS

5. To appoint Mr. Rama A. Krishnan (DIN: 00546256) as an Independent Director of the Company for a second consecutive term and in this regard, to pass, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV, as amended from time to time ("Act") and pursuant to Regulation 17 and other applicable regulations, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Regulations"), Mr. Rama A. Krishnan (DIN: 00546256), who is eligible for re-appointment as an independent director and in respect of whom the Company has received a notice in writing under Section 160 of the Act and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Regulations and based on the recommendation of the Nomination and Remuneration Committee, Mr. Rama A. Krishnan, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second consecutive term of two years w.e.f. from 31<sup>st</sup> March, 2023 to 30<sup>th</sup> March, 2025."

6. To approve increase in remuneration of Mr. Makrand M. Appalwar, Chairman & Managing Director of the Company and in this regard, to pass, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 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), read with Schedule V of the Companies Act, 2013, and such other approvals and permissions of the authorities, if required, and subject to the provisions of the Articles of Association of the Company and on the recommendation of the Nomination & Remuneration Committee, approval of the members be and is hereby accorded to the revision in remuneration of Mr. Makrand M. Appalwar (DIN: 00171950), Chairman and Managing Director of the Company to Rs.10,50,000/- with effect from 1<sup>st</sup> October, 2022.

**RESOLVED FURTHER THAT** where in any financial year during the tenure of the said Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company may pay the aforesaid remuneration as the minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee thereof) be and is hereby authorized to vary, amend, modify and revise from time to time, the terms of Remuneration payable to the Chairman & Managing Director, within such prescribed limit, as may be desired appropriate by the Board.

**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government in Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit and subject to such approvals, as may be required by law.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

7. To approve increase in remuneration of Mrs. Rinku M. Appalwar, CFO & Executive Director of the Company and in this regard, to pass, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 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), read with Schedule V of the Companies Act, 2013, and such other approvals and permissions of the authorities, if required, and subject to the provisions of the Articles of Association of the Company and on the recommendation of the Nomination & Remuneration Committee, approval of the members be and is hereby accorded to the revision in remuneration of Mrs. Rinku M. Appalwar (DIN: 00171976), CFO & Executive Director of the Company to Rs.10,00,000/- with effect from 1<sup>st</sup> October, 2022.

**RESOLVED FURTHER THAT** where in any financial year during the tenure of the said CFO & Executive Director, the Company has no profits or its profits are inadequate, the Company may pay the aforesaid remuneration as the minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee thereof) be and is hereby authorized to vary, amend, modify and revise from time to time the terms of Remuneration payable to the CFO & Executive Director, within such prescribed limit, as may be desired appropriate by the Board.

**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government in Schedule V to the Companies Act, 2013, the Board of Directors, be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit and subject to such approvals, as may be required by law.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized 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 and Daman & Diu,  
Silvassa 396 230

**Date:** 16<sup>th</sup> May, 2022  
**Place:** Silvassa

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

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



**Circular  
Baffle  
Bag**



## NOTES

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI') allowed the Companies to hold AGM through VC/OAVM, without physical presence of members at the venue vide General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circular No. 19/2021 dated 8<sup>th</sup> December, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021, General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and Circular No.02/2022 dated 5<sup>th</sup> May, 2022 (collectively referred as 'MCA Circulars') and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 (collectively referred as 'SEBI Circulars') respectively. In compliance with the aforesaid Circulars, the AGM of the Company will be held through VC/OAVM.
2. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars and SEBI Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 ("the Act").
4. Corporate members intending to participate 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. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 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 No. 3 and 5 of the Notice, are also annexed hereto.
7. Details of Directors retiring by rotation and seeking re-appointment at this Meeting are provided in the "Annexure II" to the Notice.
8. In compliance with the MCA Circulars and the SEBI Circulars, Notice of the AGM along with the Annual Report for the Financial Year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report for the Financial Year 2021-22 will also be available on the Company's website [www.emmbi.com](http://www.emmbi.com), websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL (agency providing the remote e-voting facility) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. The relevant statutory registers will be available electronically for inspection by the Members during the AGM. Relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to [info@emmbi.com](mailto:info@emmbi.com).
10. Members who wish to seek any information with regard to the Financial Statements or any matter to be placed at AGM are requested to write to the Company latest by 3<sup>rd</sup> September, 2022, through email on [info@emmbi.com](mailto:info@emmbi.com) so as to enable the Company to keep the information ready at the AGM.
11. **BOOK CLOSURE:** The Register of Members and Share Transfer Register of the Company will remain closed from Wednesday, 7<sup>th</sup> September, 2022 to Tuesday, 13<sup>th</sup> September, 2022 (Both days inclusive) for determining the name of members for the purpose of AGM and payment of dividend on Equity Shares, if declared at the Meeting.
12. a) Members holding shares in dematerialized form are requested to intimate 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 ("DBSL") (Formerly known as Datamatics Financial Services Limited) to provide efficient and better services.
- b) Members holding shares in physical form are requested to intimate changes in point (a) above including dividend matters to the Share Transfer Agents Datamatics Business Solutions 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@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com).
- c) 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 for assistance in this regard.
- d) 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.
- e) Quote ledger Folio Number/Client ID and DP ID in all their correspondence.
- f) Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.

13. **DIVIDEND:** The dividend, as recommended by the Board of Directors, if approved at the Annual General Meeting, would be paid subject to deduction of tax at source, as may be applicable, on or before 12<sup>th</sup> October, 2022:

- (a) to all the beneficial owners in respect of shares held in dematerialized form as per the data received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the close of business hours on Tuesday, 6<sup>th</sup> September, 2022 and
- (b) to all the members in respect of shares held in physical form at the close of business hours on Tuesday, 6<sup>th</sup> September, 2022.

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/National Electronic Fund Transfer (NEFT)/Real Time Gross Settlement (RTGS), etc.

Shareholders are requested to register/ update their complete bank details:

- a) with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialized mode by submitting the requisite documents. The Company or DBSL cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.
- b) Members holding shares in physical form are requested to submit (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf.

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).

14. **TDS ON DIVIDEND:** Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of Members with effect from 1<sup>st</sup> April, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, Members are requested to refer to the Finance Act, 2020 and amendments thereof. Members are requested to update their Permanent Account Number ("PAN") with the Company/Datamatics Business Solutions Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

**For Resident Shareholders,** tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @ 10% on the amount of Dividend declared and paid by the Company during the Financial Year ("FY") 2022- 23 provided valid PAN is provided by the shareholder. If valid PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income-tax Act, 1961.

However, no TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2022-23 does not exceed Rs. 5,000.

Separately, in cases where the shareholder provides declaration in Form 15G (applicable to an individual who is below 60 years) / Form 15H (applicable to an Individual above the age of 60 years), no tax at source shall be deducted provided that the eligibility conditions are being met. Needless to say, PAN is mandatory. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

**For Non-resident Shareholders,** taxes are required to be withheld in accordance with the provisions of section 195 and other applicable sections of the Income-tax Act, 1961 at the applicable rates in force. As per the relevant provisions of section 195 of the said Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. In case of GDRs and Foreign Portfolio Investors/ Foreign Institutional Investors, the withholding tax shall be as per the rates specified in Section 196C and 196D of the Act respectively, plus applicable surcharge and cess on the amount of Dividend payable to them.

However, as per Section 90 read with Section 195 of the Income-tax Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Self-attested true copy of Tax Residency Certificate ("TRC") obtained from the tax/revenue authorities of the country of which the shareholder is resident for the Financial Year 2022-23;
- Self-declaration in Form 10F;
- Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
- Self-declaration in the format prescribed by the Company, certifying the following points:
  - i. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2022-23;
  - ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
  - iii. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;

- iv. Shareholder does not have a taxable presence or a Permanent Establishment (“PE”) in India during the Financial Year 2022- 23. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise;
  - v. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
  - vi. Non-resident shareholder is satisfying the Principle Purpose Test as per the respective tax treaty effective 1<sup>st</sup> April, 2020 (if applicable).
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the Member.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-Resident shareholder.

**Members may submit the aforementioned documents at Datamatics Business Solutions Limited, Address: Plot No. A-16 and 17, MIDC, Part B Cross Lane, Marol, Andheri (East), Mumbai 400 093, Tel. No. 66712151-56; Fax No. 66712011; Email: [investorsqry@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com) on or before 3<sup>rd</sup> September, 2022 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination / deduction shall be entertained post 3<sup>rd</sup> September, 2022.**

The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Company / Datamatics Business Solutions Limited post payment of the dividend. Shareholders will be able to download the TDS certificate from the Income Tax Department’s website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS). Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company / Datamatics Business Solutions Limited.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, incompleteness or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

15. **IEPF:** Under the Act, dividends that are unclaimed/ unpaid for a period of seven years are required to be transferred to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. Details of dividends so far transferred to the IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link [www.iepf.gov.in](http://www.iepf.gov.in).

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31<sup>st</sup> March, 2022 on the website of the Company at [www.emmbi.com](http://www.emmbi.com) and also on the website of the MCA at [www.iepf.gov.in](http://www.iepf.gov.in). Members are requested to note that, pursuant to the provisions of section 124 of the Act read with IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the MCA.

In accordance with the aforesaid IEPF Rules, the Company has sent individual communication to all Members whose shares are due for transfer to the IEPF Authority and whose email IDs are available, informing them to claim their unclaimed/unpaid dividend before due date to avoid such transfer of shares to IEPF Authority and has also published notice in this regard in Newspapers.

**Members whose unclaimed dividends/shares are/will be transferred to the IEPF Authority can claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 by following the refund procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>.**

16. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1<sup>st</sup> April, 2019, except in case of transmission or transposition of securities. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise their shares held in physical form.

Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account. Members may also visit web site of depositories viz. National Securities Depository Limited viz. <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited viz. <https://www.cdslindia.com/investors/open-demat.html> for further understanding of the demat procedure.

17. 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.
18. **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 quoting their folio number(s).**

19. 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 48 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.

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

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

#### **SPECIAL BUSINESS**

##### **Item No. 5**

Mr. Rama A. Krishnan (DIN: 00546256) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company upto 30<sup>th</sup> March, 2023 ("first term").

The Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, had approved the re-appointment of Mr. Rama A. Krishnan as an Independent Director on 16<sup>th</sup> May, 2022 in terms of Regulations 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations"), Sections 149, 150, 152, 160, Schedule IV and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), to hold office for a second consecutive term of 2 (two) years from 31<sup>st</sup> March, 2023 to 30<sup>th</sup> March, 2025, not liable to retire by rotation, subject to the approval of the Members. Accordingly, it is proposed to re-appoint him as an Independent Director.

Mr. Rama A. Krishnan is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act nor has been debarred from holding the office of a director by virtue of any order from Securities and Exchange Board of India (SEBI) or any such authority and has consented to act as Director of the Company. The Company has also received declaration from Mr. Rama A. Krishnan that he meets the criteria of independence as prescribed under Section 149 read with Schedule IV to the Act and the Listing Regulations.

In the opinion of the Board, Mr. Rama A. Krishnan fulfills the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Rama A. Krishnan is Independent of the management.

Details of Mr. Rama A. Krishnan are provided in the "Annexure" to the Notice. He shall be paid remuneration by way of sitting fee for attending meetings of the Board and committees thereof, reimbursement of expenses for participating in the Board and other committee meetings.

Copy of the draft letter of appointment of Mr. Rama A. Krishnan setting out the terms and conditions of appointment is available for electronic inspection by the members of the Company. Members seeking to inspect such document can send an email to [info@emmbi.com](mailto:info@emmbi.com).

Mr. Rama A. Krishnan and his relatives are interested in the resolution set out at Item No. 5 of the Notice with regard to his re-appointment, to the extent of his shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially, or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

##### **Item No. 6**

Mr. Makrand M. Appalwar was re-appointed and designated as the Chairman and Managing Director of the Company by the Board at its Meeting held on 12<sup>th</sup> February, 2020 for a period of 5 years i.e., 31<sup>st</sup> March, 2020 to 30<sup>th</sup> March, 2025. The same was subsequently approved by the members at the AGM held on 12<sup>th</sup> September, 2020.

Further considering the contribution of Mr. Makrand M. Appalwar and the progress made by the Company under his dynamic and able leadership and guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 16<sup>th</sup> May, 2022 has, subject to the approval of members, approved the revision in remuneration of Mr. Makrand M. Appalwar (DIN: 00171950), Chairman and Managing Director from Rs. 6,50,000/- to Rs.10,50,000/- with effect from 1<sup>st</sup> October, 2022.

The appointment as well as payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the Chairman & Managing Director of the Company. Pursuant to Section 197 read with the Schedule V of the Companies Act, 2013, the revised remuneration of Mr. Makrand M. Appalwar as decided by the Board is required to be approved by the Members at their meeting due to inadequacy of profits.

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder and Annexure to this Notice. The details of Mr. Makrand M. Appalwar in pursuance of the provisions of the Listing Regulations are mentioned in Annexure.

It is hereby confirmed that the Company has not committed any default in respect of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding financial year and in the current financial year.

Pursuant to the applicable provisions of the Companies Act, 2013, and relevant rules made thereunder, consent of members is being sought by way of a

Special Resolution.

Except Mr. Makrand M. Appalwar and his wife Mrs. Rinku M. Appalwar and their relatives, none of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the resolution.

The Board of Directors recommend passing of the Special Resolution at Item No. 6 of the Notice.

#### Item No. 7

Mrs. Rinku M. Appalwar was re-appointed and designated as the CFO and Executive Director of the Company by the Board at its Meeting held on 12<sup>th</sup> February, 2020 for a period of 5 years i.e., 31<sup>st</sup> March, 2020 to 30<sup>th</sup> March, 2025. The same was subsequently approved by the members at the AGM held on 12<sup>th</sup> September, 2020.

Further considering the contribution of Mrs. Rinku M. Appalwar and the progress made by the Company under her leadership and guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 16<sup>th</sup> May, 2022 has, subject to the approval of members, approved the revision in remuneration of Mrs. Rinku M. Appalwar (DIN: 00171976), CFO and Executive Director of the Company from Rs.6,00,000/- to Rs.10,00,000/- with effect from 1<sup>st</sup> October, 2022.

The appointment as well as payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the CFO and Executive Director of the Company. Pursuant to Section 197 read with the Schedule V of the Companies Act, 2013, the revised remuneration of Mrs. Rinku M. Appalwar as decided by the Board is required to be approved by the Members at their meeting due to inadequacy of profits.

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder and Annexure to this Notice. The details of Mrs. Rinku. M. Appalwar in pursuance of the provisions of the Listing Regulations are mentioned in Annexure.

It is hereby confirmed that the Company has not committed any default in respect of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding financial year and in the current financial year.

Pursuant to the applicable provisions of the Companies Act, 2013, and relevant rules made thereunder, consent of members is being sought by way of a Special Resolution.

Except Mrs. Rinku M. Appalwar and her husband Mr. Makrand M. Appalwar, none of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the resolution.

The Board of Directors recommend passing of the Special Resolution at Item No. 7 of the Notice.

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

**Date:** 16<sup>th</sup> May, 2022  
**Place:** Silvassa

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

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



## Annexure I to the Notice dated 13<sup>th</sup> September, 2022

Pursuant to Clause (iv) of Section II of Schedule V of Companies Act, 2013 the following statement is given:

### I. General Information

|                                                                                                                                                     |                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Nature of Industry                                                                                                                                  | Manufacturing                                                                                                                                                                                                                                                    |
| Date or expected date of commencement of commercial production                                                                                      | Not Applicable since the Company has already commenced its business activities                                                                                                                                                                                   |
| In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable                                                                                                                                                                                                                                                   |
| Financial Performance based on given indicators                                                                                                     | Financial Performance for FY 21-22 (Rs. in millions):<br>1. Gross Revenue: Rs.5,103.69/-<br>2. Depreciation: Rs.87.38/-<br>3. Total Expenses: Rs.4,099.18/-<br>4. Net Tax: Rs.67.75/-<br>5. Paid up Capital: Rs.176.90/-<br>6. Reserves & Surplus: Rs.1,357.09/- |
| Foreign investments or collaborations, if any                                                                                                       | There is no direct foreign investment in the Company except to the extent shares held by Foreign Institutional Investors (FII) acquired through open market. There is no foreign collaboration in the Company.                                                   |

### II. Information about the appointee

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Background details          | <p>Mr. Makrand Appalwar is a Mechanical Engineer, from Maharashtra Institute of Technology, Pune, (India) and an alumnus of MIT Sloan School of Management, Boston (US).</p> <p>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 is the Chairman &amp; Managing Director of the Company and is the past President of the Indian FIBC Association.</p> <p>Mrs. Rinku Appalwar is a graduate in Chemistry from Mumbai University, and an alumnus of The Indian Institute of Management, Bangalore. She 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.</p> |
| Past remuneration           | Mr. Makrand Appalwar: Rs.78.00 Lakhs p.a.<br>Mrs. Rinku Appalwar: Rs.72.00 Lakhs p.a.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Recognition or Awards       | <p><b>Mr. Makrand Appalwar:</b></p> <p>a. Received Udyog Ratan Award;<br/>b. SME Excellence Award; and many more</p> <p><b>Mrs. Rinku Appalwar:</b></p> <p>a. Received Leading Woman in Manufacturing award for three years in row;<br/>b. Received Woman Leadership and Innovation Award; and many more</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Job profile and suitability | <p>Mr. Makrand Appalwar's current term of appointment as the Chairman and Managing Director of the Company is till 30<sup>th</sup> March, 2025. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Makrand M. Appalwar should be available to the Company.</p> <p>He drives product development through R&amp;D and is continually seeking ways to enhance sustainability and the ecosystem around the Company.</p>                                                                                                                                                                                                                                                                                                |

Mrs. Rinku Appalwar's current term of appointment as the CFO and Executive Director of the Company is till 30<sup>th</sup> March, 2025. Considering her knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mrs. Rinku M. Appalwar should be available to the Company.

She 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.

|                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Remuneration Proposed:                                                                                                                                                                         | As mentioned in the resolution stated above.                                                                                                                                                                                                                                                                                    |
| Comparative remuneration profile with respect to industry, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | Considering the responsibility shouldered by Mr. Makrand Appalwar and Mrs. Rinku Appalwar of the enhanced business activities of the Company, proposed remuneration is commensurate with industry standards.                                                                                                                    |
| Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any                                                                          | Mr. Makrand Appalwar and Mrs. Rinku Appalwar does not have any pecuniary relationship with the Company except remuneration paid to them as Chairman and Managing Director and CFO & Executive Director respectively and as a shareholder to the extent of their respective shareholding directly and indirectly in the Company. |

### III. Other information

|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reasons of loss or inadequate profits                              | Your Directors recognize that business of the Company had been impacted during the last two financial years due to COVID – 19 pandemic and the second wave started during the beginning of the financial year 2021-22 has partially disrupted the operations and the business is expected to rebound in the coming months. The Board do not intend to provide any undue remuneration to the managerial personnel. |
| Steps taken or proposed to be taken for improvement                | The Company has taken various steps to cover all the aspects to mitigate the covid impact.                                                                                                                                                                                                                                                                                                                        |
| Expected increase in productivity and profits in measurable terms: | Company is expected to do well in the subsequent quarters and the years to come.                                                                                                                                                                                                                                                                                                                                  |

### IV. Disclosures

1. The remuneration package of all the managerial persons are given in the respective resolutions.
2. Additional information is given in Corporate Governance Report.



## Annexure II to the Notice dated 13<sup>th</sup> September, 2022

### Details of Directors retiring by rotation / seeking re-appointment at the Meeting as required under applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings issued by ICSI

|                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the Director                                                                                                                                       | Mr. Rama A. Krishnan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Mr. Krishnan I. Subramanian                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Age                                                                                                                                                        | 86 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 52 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| DIN                                                                                                                                                        | 00546256                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 06614842                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Nationality                                                                                                                                                | Indian                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Indian                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Date of First Appointment on the Board                                                                                                                     | 31 <sup>st</sup> March, 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 29 <sup>th</sup> May, 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Qualifications                                                                                                                                             | 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 graduate of the Birla Institute of Technology & Science (BITS), Pilani, India and an alumnus of MIT–Sloan School of Management. He also holds an Accounting Diploma and is a certified IFRS specialist                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Experience including expertise in specific functional areas                                                                                                | 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. Krishnan has a combined experience of over 25 yrs 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 |
| Relationship with other Directors/ Key Management Personnel                                                                                                | Not related to any Director or Key Managerial Personnel of the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Not related to any Director or Key Managerial Personnel of the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Number of shares held in the Company (singly or jointly as first holder) as on 31 <sup>st</sup> March, 2022                                                | NIL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 72,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Number of meetings of the Board attended during the financial year (2021-2022)                                                                             | 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Directorships of other Boards as on 31 <sup>st</sup> March, 2022                                                                                           | 1. Kitec Industries (India) Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 1. Wissen Technology Private Limited<br>2. Sukino Healthcare Solutions Private Limited<br>3. Tarkena Consultants Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Chairmanship/ Membership of the Committee(s) of the Board of Directors of other companies in which he/she is a Director as on 31 <sup>st</sup> March, 2022 | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                            |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Terms and conditions of appointment/re- appointment along with details of remuneration sought to be paid | Mr. Rama Krishnan was appointed as the Non-Executive Independent Director of the Company on 31 <sup>st</sup> March, 2018 for a period of 5 years. The Board in its meeting held on 16 <sup>th</sup> May, 2022, based on the recommendation of the Nomination and Remuneration Committee recommends re-appointment of Mr. Rama Krishnan as an Independent Director for second term of 2 years. | Mr. Krishnan I. Subramanian (DIN 06614842) who retires by rotation and, being eligible, offers himself for re-appointment. |
| Details of last drawn remuneration                                                                       | During the Financial Year 2021-22, an aggregate amount of Rs.1,03,000/- was paid towards sitting fees for attending Board and Committee Meetings.                                                                                                                                                                                                                                             | During the Financial Year 2021-22, an aggregate amount of Rs. 15.00 lakhs was paid towards remuneration.                   |

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

**Date: 16<sup>th</sup> May, 2022**  
**Place: Silvassa**

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

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

#### SUMMARIZED INFORMATION AT GLANCE

|                                                    |                                                                                                                                                                                                                                                                         |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Time and Date of AGM                               | Tuesday, 13 <sup>th</sup> September, 2022 at 11.30 a.m.                                                                                                                                                                                                                 |
| Venue / Mode                                       | Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")                                                                                                                                                                                                            |
| Book Closure Dates                                 | Wednesday, 7 <sup>th</sup> September, 2022 to Tuesday, 13 <sup>th</sup> September, 2022 (both days inclusive)                                                                                                                                                           |
| Record Date for payment of final dividend          | Tuesday, 6 <sup>th</sup> September, 2022                                                                                                                                                                                                                                |
| Final Dividend Recommended for FY 2021-22          | Re.0.60 per equity share of Rs. 10/- each fully paid-up                                                                                                                                                                                                                 |
| Final dividend payout date, if approved by members | On or before 12 <sup>th</sup> October, 2022                                                                                                                                                                                                                             |
| Cut-off date for e-Voting                          | Tuesday, 6 <sup>th</sup> September, 2022                                                                                                                                                                                                                                |
| E-voting start time and date                       | Saturday, 10 <sup>th</sup> September, 2022 at 9:00 A.M. IST                                                                                                                                                                                                             |
| E-voting end time and date                         | Monday, 12 <sup>th</sup> September, 2022 at 5:00 P.M. IST                                                                                                                                                                                                               |
| E-voting website links (please use as applicable)  | <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>                                                                                                                                                                                               |
| Contact Details of Registrar and Transfer Agent    | Datamatics Business Solutions Limited, Address: Plot No. A-16 and 17, MIDC, Part B Cross Lane, Marol, Andheri (East), Mumbai 400 093, Tel. No. 66712151-56; Fax No. 66712011; Email: <a href="mailto:investorsqry@datamaticsbpm.com">investorsqry@datamaticsbpm.com</a> |

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**

The remote e-voting period begins on Saturday, 10<sup>th</sup> September, 2022 at 9:00 A.M. IST and ends on Monday, 12<sup>th</sup> September, 2022 at 5:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 6<sup>th</sup> September, 2022 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 6<sup>th</sup> September, 2022.

• **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders                                               | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center;">   </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">Myeasi.</a></li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| Login type                                                         | Helpdesk details                                                                                                                                                                                                                |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30              |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**• How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:                                                                                                                                          |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****                                                        |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

- How to cast your vote electronically and join General Meeting on NSDL e-Voting system?
  1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
  2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
  3. Now you are ready for e-Voting as the Voting page opens.
  4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
  5. Upon confirmation, the message “Vote cast successfully” will be displayed.
  6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sanjayrd65@gmail.com](mailto:sanjayrd65@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [info@emmbi.com](mailto:info@emmbi.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [info@emmbi.com](mailto:info@emmbi.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join

meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [info@emmbi.com](mailto:info@emmbi.com). The same will be replied by the company suitably.

#### **VOTING AT THE AGM:**

- a. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC/OAVM.
- b. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.
- c. E-voting during the AGM is integrated with the VC/OAVM platform and no separate login is required for the same.
- d. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- e. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting through VC/OAVM; however, these Members are not entitled to cast their vote again during the Meeting. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting through VC/OAVM mode during the AGM.

#### **OTHER INSTRUCTIONS:**

- (i) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on [www.evotingindia.com](http://www.evotingindia.com).
- (ii) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- (iii) The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.emmbi.com](http://www.emmbi.com). The Company shall simultaneously forward the results to the National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.



# Board's Report



## BOARD'S REPORT [[Disclosure under Section 134(3) of the Companies Act, 2013] {Read with Companies (Accounts) Rules, 2014}]

To  
The Members,  
Emmbi Industries Limited

Your Directors have pleasure in presenting the 28<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022. Your Company has recorded yet another year of good performance, in its operations. The highlights of the results are set out below:

| Particulars                                                         | (INR MILLION)                                   |                                                 |
|---------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
|                                                                     | Year ended<br>on 31 <sup>st</sup> March<br>2022 | Year ended<br>on 31 <sup>st</sup> March<br>2021 |
| Gross Sales                                                         | 5103.69                                         | 3198.39                                         |
| Less: Goods & Service Tax                                           | 747.48                                          | 458.50                                          |
| Net Sales                                                           | 4356.22                                         | 2739.89                                         |
| Other income                                                        | 1.05                                            | 1.93                                            |
| Total revenue                                                       | 4357.26                                         | 2741.82                                         |
| Profit before Depreciation, Finance<br>Cost, Exceptional item & Tax | 492.08                                          | 286.43                                          |
| Less: Depreciation                                                  | 87.38                                           | 72.49                                           |
| Profit before Finance Cost, Exceptional<br>item & Tax               | 404.70                                          | 213.94                                          |
| Less: Finance Costs                                                 | 146.62                                          | 113.61                                          |
| Profit before Exceptional Items & Tax                               | 258.08                                          | 100.33                                          |
| Add: Exceptional Items                                              | 0.00                                            | 0.00                                            |
| Profit before tax                                                   | 258.08                                          | 100.33                                          |
| Less: Tax expenses                                                  | 67.75                                           | 23.59                                           |
| Profit after Tax                                                    | 190.33                                          | 76.74                                           |
| Opening Balance of retained earnings                                | 902.06                                          | 834.17                                          |
| Profit available for appropriation                                  | 0.00                                            | 0.00                                            |
| Balance available for appropriation                                 | 902.06                                          | 834.17                                          |
| Adjustment relating to fixed assets                                 | 0.00                                            | 0.00                                            |
| Adjustments with other Equity                                       | 0.87                                            | 1.78                                            |
| Less: Proposed Dividend / Paid                                      | 6.44                                            | 6.56                                            |
| Less: Distribution tax on Dividend/TDS                              | 0.64                                            | 0.52                                            |
| Closing Balance of retained earnings                                | 1084.45                                         | 902.06                                          |

### OPERATIONS

During the year under review, your Company has achieved Revenue from Operations and the Income aggregating to Rs. 4,356.22 million as against Rs. 2,739.89 million during the previous year, registering a growth of about 58.99% over the previous year. Profit after providing for taxes is Rs. 190.33 million as against Rs. 76.74 million during 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 Re. 0.60 per equity share of the face value of Rs. 10/- each for the year ended on 31<sup>st</sup> March, 2022 (Re. 0.40 per share for the previous year) subject to the Members' approval. Dividend is subject to approval of members at the ensuing Annual General Meeting (AGM) and shall be subject to deduction of income tax at source.

### EXPORTS

Values of Exports during the year under review were Rs. 3,194.28 million as against Rs. 1,850.78 million. Exports in the current financial year contributed to 62.59% in the gross sales. Company has expanded its presence in 70 countries which has resulted healthy growth in the territory of operation.

### HUMAN RESOURCE DEVELOPMENT

Company's management team is focused on creating the best environment for the enthusiastic and dedicated workforce of Emmbi. Many New Programs and Work patterns were introduced during the year to enhance the "experience of work".

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 emphasize 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.

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

### QUALITY INITIATIVES

Man-Machine interphase will only produce the accuracy and skill required for being a successful company in the coming years. Specially Manufacturing sector is changing its shape using modern technology tools like IoT (Internet of things) and ML (Machine Learning). The whole new concept of industry 4.0 will be practiced and implemented in Emmbi during coming years of operation.

This will also augment the project of Lean manufacturing which was adopted during past few years to control and make best use of the Human Capital. 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 have 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.

#### **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.

#### **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section, forming part of the Annual Report.

#### **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:

- (i) that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (ii) 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 31<sup>st</sup> March, 2022 and of the profit of the company for the year ended on that date;
- (iii) 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;
- (iv) the directors have prepared the annual accounts on a going concern basis;
- (v) 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
- (vi) 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.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **Retirement by rotation**

In accordance with the provisions of the Companies Act, 2013, Mr. Krishnan I. Subramanian (DIN 06614842), Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers himself for re-appointment.

##### **Key Managerial Personnel (KMP)**

The following have been designated as the Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| Sr. No. | Name of the Person          | Designation                              |
|---------|-----------------------------|------------------------------------------|
| 1       | Mr. Makrand Appalwar        | Chairman and Managing Director           |
| 2       | Mrs. Rinku Appalwar         | Executive Director & CFO                 |
| 3       | Mr. Krishnan I. Subramanian | Whole-Time Director                      |
| 4       | Mr. Kaushal Patvi           | Company Secretary and Compliance Officer |

There has been no change in the KMPs during the year under review.

There has been no change in the constitution of Board of Directors of the Company during the financial year 2021-2022.

##### **Re-Appointment of Mr. Rama A. Krishnan (DIN: 00546256) as an Independent Director of the Company for a second consecutive term**

The Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, had approved the re-appointment of Mr. Rama A. Krishnan as an Independent Director on 16<sup>th</sup> May, 2022 in terms of Regulations 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations"), Sections 149, 150, 152, 160, Schedule IV and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), to hold office for a second consecutive term of 2 (two) years from 31<sup>st</sup> March, 2023 to 30<sup>th</sup> March, 2025, not liable to retire by rotation, subject to the approval of the Members. Accordingly, it is proposed to re-appoint him as an Independent Director of the Company.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective, independent judgment and without any external influence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015. The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ('IICA'). The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of 1 (one) year from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption. As per Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2020 dated 18<sup>th</sup> December, 2020, all the Independent Directors of the Company are exempted from undertaking the online proficiency self-assessment.

#### **PERFORMANCE EVALUATION**

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors. Pursuant to the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

The performance evaluation of the Non- Executive & Independent Directors is done by the Board annually. The performance evaluation of the Chairman & Managing Director, Executive Director and CFO is carried out by the Independent Directors annually. The performance evaluation of the Board is done annually by the entire Board. The Board of Directors expressed their satisfaction with the entire evaluation procedure. The Non-Executive & Independent Directors fulfilled the criteria of their independence from the management. Provided that in the evaluation, the directors who were subject to evaluation did not participate.

#### **FAMILIARISATION PROGRAMME FOR DIRECTORS**

The Members of the Board of the Company are afforded many opportunities to familiarise themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Executive Directors and Senior Management provide an overview of the operations and familiarise the new Independent and Non-Executive Directors on matters related to the Company's values and commitments. They are also introduced to the organisational structure, constitution of various committees, board procedures, risk management strategies, etc.

Strategic Presentations are made to the Board where Directors get an opportunity to interact with Senior Management. Directors are also informed of the various developments in the Company through Press Releases, emails, etc.

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

The Company has a Strategic Joint Venture with Global Bag sro, Czech Republic Company. The Company has 25% investment in Global Bag sro.

#### **COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2**

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

#### **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

#### **VIGIL MECHANISM**

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. The Whistle Blower Policy of your Company is available on the Company's website and can be accessed at the web-link: [www.emmbi.com](http://www.emmbi.com).

During the financial year under review, the Company has not received any complaints under the Whistle Blower Policy.

#### **PREVENTION OF SEXUAL HARASSMENT POLICY**

The Company has a detailed policy in place in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committees (ICC) have been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of Internal Complaints Committee under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company policy mandates prevention of sexual harassment and to ensure a free and fair enquiry process with clear timelines for resolution.

During the financial year under review, the Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 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.

## PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has not given any loan, guarantees or made any investments as prescribed in Section 186 of the Companies Act, 2013.

## RELATED PARTY TRANSACTIONS

During the year no contracts / arrangements were entered / renewed by the Company with related parties in terms of the provisions of Section 188(1) of the Companies Act, 2013. All transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arms' length basis and approved by the Audit Committee. During the year under review, the Company had not entered into any material related party transactions.

Disclosure as required under section 134(3)(h) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, in form AOC-2, is not applicable as all the contracts entered by the Company during the year are on arms' length basis and there was no material contract or arrangement.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website at: [www.emmbi.com](http://www.emmbi.com).

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has focused on several corporate social responsibility programmes. The Company continued its endeavour to improve the lives of people and provide opportunities for their holistic development through its different initiatives in the areas of Health, Sanitation & Hygiene, Education, Sports for Development, Disaster Response, Arts, Culture, Heritage, etc.

## CSR POLICY

The Corporate Social Responsibility Committee had formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) which was subsequently adopted by it and is being implemented by the Company. The CSR Policy can be accessed at the Company's website through the Web-link: [www.emmbi.com](http://www.emmbi.com).

## 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. The Company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimise consumption. Energy continues to be a material aspect from climate change as well as operational perspective. Emmbi's commitment to decouple energy and carbon footprint from business growth reflects in the reduction in specific consumption that Emmbi has achieved.
- b. Steps are taken to institutionalize 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.
- c. Significant reductions in energy consumption and cost of production of goods have been observed by the implementation of above referred measures.
- d. Implementation of referred measures have resulted in increased facility reliability as well as improved equipment performance.

### 2. TECHNOLOGY ABSORPTION:

The Company continues to adopt and use the latest technologies to improve the productivity and quality of its products. The Company's operations do not require significant import of technology.

### (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 and Daman & Diu, Silvassa 396 230 is accorded In-house R&D recognition up to 31<sup>st</sup> March, 2024 from Department of Scientific and Industrial Research, Ministry of Science & Technology, Government 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. Upgradation 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 (Rs. In Millions) |
|---------------------------------------------------------|--------------------------|
| Capital Expenditure                                     | 10.16                    |
| Revenue Expenditure                                     | 8.70                     |
| Total R&D Expenditure                                   | 18.85                    |
| Total Turnover (Net Sales)                              | 4,356.22                 |
| Total R&D Expenditure as a percentage of Total turnover | 0.43%                    |

**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 Rs. 3,010.81 millions.

| Particulars               | (Rs. In Millions) |          |
|---------------------------|-------------------|----------|
|                           | 2021-22           | 2020-21  |
| Foreign Exchange Earnings | 3,010.81          | 1,797.84 |
| Foreign Exchange Outgo    | 231.12            | 35.44    |

**RISK MANAGEMENT POLICY**

Your Company has a well-defined risk management approach in place which works at various levels across the enterprise. The Company has a robust organisational structure for managing and reporting on risks. A statement on risk management by the Company is attached and forms a part of the Board's Report as **Annexure 2**.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS**

No significant or material orders were passed by the Regulators or Courts or Tribunals or Statutory or Quasi-Judicial body which impact the going concern status and Company's operations in future.

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company viz. [www.emmbi.com](http://www.emmbi.com). The details of unpaid dividend are as follows:

| Sr. No. | Dividend Year | Unpaid Balance as on 31/03/2022 (in Rs.) |
|---------|---------------|------------------------------------------|
| 1       | 2014-15       | 70,025.70                                |
| 2       | 2015-16       | 60,769.50                                |
| 3       | 2016-17       | 59,371.50                                |
| 4       | 2017-18       | 50,354.50                                |
| 5       | 2018-19       | 45,293.50                                |
| 6       | 2019-20       | 31,776.80                                |
| 7       | 2020-21       | 27,047.60                                |

Investors are advised to send all unpaid/unclaimed dividend warrants pertaining to the years shown above to the Company for revalidation. It is further informed that unclaimed/ unpaid dividend pertaining to the Financial Year 2014-15 will become due for transfer to Investor Education and Protection Fund (IEPF) in FY 22-23.

**MANDATORY TRANSFER OF SHARES TO DEMAT ACCOUNT OF INVESTORS EDUCATION AND PROTECTION FUND (IEPF) AUTHORITY IN CASE OF UNPAID/ UNCLAIMED DIVIDEND ON SHARES FOR A CONSECUTIVE PERIOD OF SEVEN YEARS**

In terms of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) equity shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years will be transferred to the Investor Education and Protection Fund (IEPF) Suspense Account constituted under Section 125 of the Companies Act, 2013.

It is pertinent to mention that no claim shall lie against the Company, though shares which are transferred to the Suspense Account of IEPF can be claimed back by the shareholders from IEPF by following the procedure prescribed under the aforesaid rules.

Notices have been served to the individual shareholders whose shares are liable to be transferred to IEPF Suspense Account. The underlying shares will be due to be transferred to the IEPF Suspense Account in FY 2022-23.

Members whose unclaimed dividends/shares are/will be transferred to the IEPF Authority can claim the same by making an online application to the IEPF by following the refund procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>.

**STATUTORY AUDITOR**

R. Daliya & Associates, Chartered Accountants (Firm Registration No. 102060W), Statutory Auditors of the Company were appointed for a period of five

years at the 23<sup>rd</sup> Annual General Meeting as Statutory Auditors till the conclusion of 28<sup>th</sup> Annual General Meeting. The Board of Directors of the Company pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time ("Act") and based on the recommendation of the Audit Committee, M/s. R. Daliya & Associates, Chartered Accountants, Firm Registration No. 102060W are proposed to be re-appointed as the Statutory Auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of 28<sup>th</sup> annual general meeting until the conclusion of the 33<sup>rd</sup> annual general meeting of the Company, subject to approval of the members of the company at the ensuing annual general meeting. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

#### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Sanjay R. Dholakia, Practising Company Secretary, to conduct Secretarial Audit for the F.Y. 2021-22. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2022 is attached and forms part of the Board Report as **Annexure 3**.

#### **OBSERVATIONS – STATUTORY AUDITOR & SECRETARIAL AUDITOR**

There are no qualifications, reservations, observations, disclaimers or adverse remarks contained in the Statutory Auditors Report or the Secretarial Audit Report.

#### **REPORTING OF FRAUDS BY THE AUDITORS**

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013.

#### **REGISTERED OFFICE**

There was no change in the Registered Office of the Company during the Financial Year under review. The present address of the Registered Office is as follows:

99/2/1 & 9, Madhuban Industrial Estate,  
Madhuban Dam Road, Rakholi village,  
Union Territory of Dadra & Nagar Haveli and Daman & Diu,  
Silvassa-396230, India.

#### **ANNUAL RETURN**

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31<sup>st</sup> March, 2022 in Form No. MGT-9 is attached as **Annexure 1**. The Annual Return as on 31<sup>st</sup> March, 2022 is also available on the website of the Company at [www.emmbi.com](http://www.emmbi.com).

#### **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 was within the period prescribed under the Companies Act, 2013 and the listing regulations.

#### **AUDIT COMMITTEE**

The Board has constituted the Audit Committee as under:

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

The Terms of reference of the Audit Committee, number and dates of meetings held, attendance of the members of the Committee and more details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

All the recommendations of the Audit Committee were accepted by the Board.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Board has constituted a Nomination and Remuneration Committee as under:-

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

The Terms of reference of the Nomination and Remuneration Committee, number and dates of meetings held, attendance of the members of the Committee and more details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

The Company has defined the policy on Director's appointment and 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).

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Board has constituted the Stakeholders' Relationship Committee as under:-

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.

The Terms of reference of the Stakeholders' Relationship Committee, number and dates of meetings held, attendance of the members of the Committee and 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 constituted the Corporate Social Responsibility Committee as under:-

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 members of the Committee are given separately in the attached Corporate Governance Report. Details of amount spent on CSR activities during the financial year 2021-22 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.

#### **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 Board's Report for the year ended 31<sup>st</sup> March, 2022 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 will be available electronically for inspection by the members during the AGM and will also be available for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to [info@emmbi.com](mailto:info@emmbi.com).

The Company does not have any employee within the purview 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 have been provided.

#### **ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for the assistance and co-operation received from the investors, customers, distributors, dealers, 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 Daman & Diu and business associates at all levels during the year under review.

The Board of 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: Silvassa  
Date: 16<sup>th</sup> May, 2022

For and on behalf of the Board of Directors

Makrand Appalwar  
Chairman & Managing Director  
DIN: 00171950



# Cute. Cuddly... and just back from the brink of extinction.

**N**ative to the mountain forests of southwest China, the giant panda is one of the most beloved animals in the world. Their distinctive coloring, and the black patches around the eyes are what give giant pandas their cute and cuddly look. Perhaps that is one of the reasons why China as a country has been using Pandas to forge political friendships in the world, since the 1950s. Beneficiaries of this “Panda Diplomacy” where pandas were offered as diplomatic gifts include the USA (1972), France (1973), Japan (1972), and the UK (1972). By 1984, however, pandas were no longer given as gifts. Instead, China began to offer pandas to other nations only on 10-year loans, under terms including a fee of up to US\$1,000,000 per year and a provision that any cubs born during the loan are the property of China. The annual fee of 1 million dollars is utilized for conservation efforts.

In fact, these cute and cuddly bears have been leading characters in movies (The Kung Fu Panda franchise) and have even inspired watch dials. The dial of the iconic Breitling Navitimer watch is lovingly referred to by enthusiasts as a “Panda Dial”.

But the sad fact is that this entire species almost became extinct in the recent past. As a result of farming and deforestation, the panda population was gradually driven out of the lowland areas where it first lived. Giant pandas have also been the target of poaching. Starting in the 1930s, foreigners were unable to poach giant pandas in China because of the Second Sino-Japanese War and the Chinese Civil War; but pandas remained a source of soft

furs for the locals. The population boom in China after 1949 created stress on the pandas' habitat and the subsequent famines led to the increased hunting of wildlife, including pandas. The result? By the 1980s, there were as few as 1,114 pandas living in China. In 2008, the World Wildlife Fund put the giant panda on its “Red List” of threatened species. Ironical, considering that the mascot of the WWF is a giant panda.

But these cuddly bears bounced back, and how! Being on the red list sent alarm bells ringing around the world and the Chinese government, along with organizations like WWF, began a concerted effort to save the species. Central to this effort was conserving bamboo forests, since bamboo makes up about 99% of their diet. Along with that, there was a network of Panda reserves that were established. China today has over 60 panda reserves. China also experimented with breeding giant pandas in captivity through artificial insemination. These pandas however, couldn't survive when they were introduced into the wild. The sustained effort over 3 decades however, paid off. By 2016, there were 2,060 Pandas in the world, which prompted the WWF to change their status to “vulnerable to extinction”.

So, are there any Pandas in India? Sadly, there aren't, at least not the giant Pandas. The Red Panda (a relative of the giant Panda) is however found in India, especially in places like Darjeeling, Sikkim and Arunachal Pradesh.



# Annexures to the Board's Report



## Annexure 1 to Board's Report

FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31<sup>st</sup> March, 2022

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

#### I REGISTRATION & OTHER DETAILS

|     |                                                                           |                                                                                                                                                                                                                                                                 |
|-----|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i   | CIN                                                                       | L17120DN1994PLC000387                                                                                                                                                                                                                                           |
| ii  | Registration Date                                                         | 29 <sup>th</sup> November, 1994                                                                                                                                                                                                                                 |
| iii | Name of the Company                                                       | Emmbi Industries Limited                                                                                                                                                                                                                                        |
| iv  | Category/Sub-category of the Company                                      | Company limited by shares<br>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 and Daman & Diu, Silvassa 396 230, India. Tel. No.: +91 (0260) 320 0948. Email: info@emmbi.com. Website: www.emmbi.com                                |
| 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<br>(Formerly known as Datamatics Financial Services Limited)<br>Plot No. B-5, Part B Crosslane, MIDC, Andheri (East), Mumbai 400 093.<br>Tel: 022- 66712151-56. Fax: 022- 66712161. Email: investorsqry@datamaticsbpm.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                              | 100.00%                            |
| 2     | Trading of plastics products                 | 479                              | 0.00%                              |

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

| SL No | Name & Address                                                      | CIN/GLN | HOLDING/SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|-------|---------------------------------------------------------------------|---------|-------------------------------|------------------|--------------------|
| 1     | Global Bag s.r.o<br>Oblekovic 355, 671 81<br>ZNOJMO, Czech Republic | NA      | Associate                     | 25.00            | 2(6)               |

#### 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 (III)                                    | PHYSICAL (IV) | TOTAL (V) | % OF TOTAL SHARES (VI) | DEMAT (VII)                              | PHYSICAL (VIII) | TOTAL (IX) | % OF TOTAL SHARES (X) | (XI)                     |
| <b>A. PROMOTER AND PROMOTER GROUP</b>             |                                 |                                                |               |           |                        |                                          |                 |            |                       |                          |
| (1)                                               | Indian                          |                                                |               |           |                        |                                          |                 |            |                       |                          |
|                                                   | a) Individual/HUF               | 7585071                                        | 0             | 7585071   | 42.88                  | 7590917                                  | 0               | 7590917    | 42.91                 | 0.03                     |
|                                                   | b) Central Government           | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | c) State Government(s)          | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | d) Bodies Corporate             | 2724300                                        | 0             | 2724300   | 15.40                  | 2724300                                  | 0               | 2724300    | 15.40                 | 0.00                     |
|                                                   | e) Bank/Financial Institutions  | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | f) Any other                    | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | SUB TOTAL (A) (1)               | 10309371                                       | 0             | 10309371  | 58.28                  | 10315217                                 | 0               | 10315217   | 58.31                 | 0.03                     |
| (2)                                               | Foreign                         |                                                |               |           |                        |                                          |                 |            |                       |                          |
|                                                   | a) NRI/Foreign Individuals      | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | b) Government                   | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | c) Bodies Corporate             | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | d) Banks/Financial Institutions | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | e) Foreign Portfolio Investor   | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | f) Any Other                    | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
|                                                   | SUB TOTAL (A) (2)               | 0                                              | 0             | 0         | 0.00                   | 0                                        | 0               | 0          | 0.00                  | 0.00                     |
| Total Shareholding of Promoter and Promoter Group |                                 |                                                |               |           |                        |                                          |                 |            |                       |                          |
| (A) = (A)(1) + (A)(2)                             |                                 | 10309371                                       | 0             | 10309371  | 58.28                  | 10315217                                 | 0               | 10315217   | 58.31                 | 0.03                     |

| CATEGORY OF SHAREHOLDERS      |                                                                                       | NO OF SHARES HELD<br>AT THE BEGINNING OF THE YEAR |                  |              |                                 | NO OF SHARES HELD<br>AT THE END OF THE YEAR |                    |               |                                | % CHANGE<br>DURING THE YEAR |
|-------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------|------------------|--------------|---------------------------------|---------------------------------------------|--------------------|---------------|--------------------------------|-----------------------------|
| (I)                           | (II)                                                                                  | DEMAT<br>(III)                                    | PHYSICAL<br>(IV) | TOTAL<br>(V) | % OF<br>TOTAL<br>SHARES<br>(VI) | DEMAT<br>(VII)                              | PHYSICAL<br>(VIII) | TOTAL<br>(IX) | % OF<br>TOTAL<br>SHARES<br>(X) | (XI)                        |
| <b>B. PUBLIC SHAREHOLDING</b> |                                                                                       |                                                   |                  |              |                                 |                                             |                    |               |                                |                             |
| (1)                           | Institutions                                                                          |                                                   |                  |              |                                 |                                             |                    |               |                                |                             |
|                               | a) Mutual Funds/UTI                                                                   | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | b) Venture Capital Funds                                                              | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | c) Alternate Investment Funds                                                         | 482300                                            | 0                | 482300       | 2.73                            | 332300                                      | 0                  | 332300        | 1.88                           | -0.85                       |
|                               | d) Foreign Venture Capital Investors                                                  | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | e) Foreign Portfolio Investors                                                        | 1222653                                           | 0                | 1222653      | 6.91                            | 1267025                                     | 0                  | 1267025       | 7.16                           | 0.25                        |
|                               | f) Banks/Financial Institutions                                                       | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | g) Insurance Companies                                                                | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | h) Provident Funds/Pension Funds                                                      | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | i) Any Other                                                                          |                                                   |                  |              |                                 |                                             |                    |               |                                |                             |
|                               | (i) (i) Qualified Foreign Investor                                                    | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | (i) (ii) Qualified Institutional Buyer                                                | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | SUB TOTAL (B)(1)                                                                      | 1704953                                           | 0                | 1704953      | 9.64                            | 1599325                                     | 0                  | 1599325       | 9.04                           | -0.60                       |
| (2)                           | Central Government/State Government(s)/ President of India                            | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | SUB TOTAL (B)(2)                                                                      | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
| (3)                           | Non Institutions                                                                      |                                                   |                  |              |                                 |                                             |                    |               |                                |                             |
|                               | a) Bodies Corporate                                                                   | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | i) Indian                                                                             | 1028271                                           | 0                | 1028271      | 5.81                            | 376127                                      | 0                  | 376127        | 2.13                           | 0.09                        |
|                               | ii) Overseas                                                                          | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | b) Individuals                                                                        |                                                   |                  |              | 0.00                            |                                             |                    |               | 0.00                           | 0.00                        |
|                               | b(i) Individual shareholders holding nominal share capital upto Rs.2 lakhs            | 3520116                                           | 10               | 3520126      | 19.90                           | 4216050                                     | 10                 | 4216060       | 23.83                          | -1.28                       |
|                               | b(ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs | 603880                                            | 0                | 603880       | 3.41                            | 762657                                      | 0                  | 762657        | 4.31                           | 0.90                        |
|                               | c) NBFCs registered with RBI                                                          | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | d) Employee Trusts                                                                    | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | e) Overseas Depositories (holding DRs)(balancing figure)                              | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | f) Any Other                                                                          | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | i) NRI Rep                                                                            | 186474                                            | 0                | 186474       | 1.05                            | 122836                                      | 0                  | 122836        | 0.69                           | -0.36                       |
|                               | ii) NRI Non-Rep                                                                       | 171374                                            | 0                | 171374       | 0.97                            | 237393                                      | 0                  | 237393        | 1.34                           | 0.37                        |
|                               | iii) Trusts                                                                           | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | iv) OCB                                                                               | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | v) Foreign Bodies                                                                     | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | vi) Foreign National                                                                  | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | vii) Clearing Member                                                                  | 144132                                            | 0                | 144132       | 0.81                            | 36617                                       | 0                  | 36617         | 0.21                           | -0.61                       |
|                               | viii) Unclaimed/Esrow Account                                                         | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | ix) IEPF Authority                                                                    | 21669                                             | 0                | 21669        | 0.12                            | 24018                                       | 0                  | 24018         | 0.14                           | 0.01                        |
|                               | SUB TOTAL (B)(3)                                                                      | 5675916                                           | 10               | 5675926      | 32.09                           | 5775698                                     | 10                 | 5775708       | 32.65                          | 0.56                        |
|                               | Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)                                    | 7380869                                           | 10               | 7380879      | 41.72                           | 7375023                                     | 10                 | 7375033       | 41.69                          | -0.03                       |
|                               | Total (A+B)                                                                           | 17690240                                          | 10               | 17690250     | 100.00                          | 17690240                                    | 10                 | 17690250      | 100.00                         | 0.00                        |
| (C)                           | Shares held by Custodian for GDRs & ADRs                                              | 0                                                 | 0                | 0            | 0.00                            | 0                                           | 0                  | 0             | 0.00                           | 0.00                        |
|                               | Grand Total (A+B+C)                                                                   | 17690240                                          | 10               | 17690250     | 100.00                          | 17690240                                    | 10                 | 17690250      | 100.00                         | 0.00                        |

## (ii) SHARE HOLDING OF PROMOTERS AND PROMOTERS GROUP

| SR NO | SHAREHOLDER'S NAME                 | SHAREHOLDING AT THE BEGINNING OF THE YEAR |                              |                                                      | SHAREHOLDING AT THE END OF THE YEAR |                              |                                                      | % CHANGE IN<br>SHAREHOLDING<br>DURING THE YEAR |
|-------|------------------------------------|-------------------------------------------|------------------------------|------------------------------------------------------|-------------------------------------|------------------------------|------------------------------------------------------|------------------------------------------------|
|       |                                    | No. Of<br>Shares                          | % of total<br>of the company | % of shares pledged<br>encumbered to<br>total shares | No. Of<br>Shares                    | % of total<br>of the company | % of shares pledged<br>encumbered to<br>total shares |                                                |
| 1     | Mr. Makrand M. Appalwar            | 3826450                                   | 21.63                        | 0.00                                                 | 3827450                             | 21.64                        | 0.00                                                 | 0.01                                           |
| 2     | Mrs. Rinku M. Appalwar             | 2366746                                   | 13.38                        | 0.00                                                 | 2367746                             | 13.38                        | 0.00                                                 | 0.00                                           |
| 3     | Emmbi Laboratories Private Limited | 1663100                                   | 9.40                         | 0.00                                                 | 1663100                             | 9.40                         | 0.00                                                 | 0.00                                           |
| 4     | Maithili Agrotech Private Limited  | 1061200                                   | 6.00                         | 0.00                                                 | 1061200                             | 6.00                         | 0.00                                                 | 0.00                                           |
| 5     | Miss. Maithili M. Appalwar         | 1065250                                   | 6.02                         | 0.00                                                 | 1065250                             | 6.02                         | 0.00                                                 | 0.00                                           |
| 6     | Mrs. Mitravinda M. Appalwar        | 238311                                    | 1.35                         | 0.00                                                 | 242157                              | 1.37                         | 0.00                                                 | 0.00                                           |
| 7     | Mr. Avinash R. Laddha              | 63614                                     | 0.36                         | 0.00                                                 | 63614                               | 0.36                         | 0.00                                                 | 0.00                                           |
| 8     | Mr. Kailashchandra B. Lohiya       | 11550                                     | 0.07                         | 0.00                                                 | 11550                               | 0.07                         | 0.00                                                 | 0.00                                           |
| 9     | Mr. Prashant K. Lohiya             | 6250                                      | 0.04                         | 0.00                                                 | 6250                                | 0.04                         | 0.00                                                 | 0.00                                           |
| 10    | Mrs. Sarla K. Lohiya               | 3000                                      | 0.02                         | 0.00                                                 | 3000                                | 0.02                         | 0.00                                                 | 0.00                                           |
| 11    | Mr. Sanjay R. Rath                 | 2100                                      | 0.01                         | 0.00                                                 | 2100                                | 0.01                         | 0.00                                                 | 0.00                                           |
| 12    | Mrs. Sangeeta S. Rath              | 1050                                      | 0.01                         | 0.00                                                 | 1050                                | 0.01                         | 0.00                                                 | 0.00                                           |
| 13    | Mrs. Sushiladevi R. Rath           | 750                                       | 0.00                         | 0.00                                                 | 750                                 | 0.00                         | 0.00                                                 | 0.00                                           |
|       | Total                              | 10309371                                  | 58.28                        | 0.00                                                 | 10315217                            | 58.31                        | 0.00                                                 | 0.01                                           |

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

| SR 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 (01/04/2021 to 31/03/2022) |                                  |
|-------|-------------------------|---------------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------|--------------------------------------------------------------------|----------------------------------|
|       |                         | No. of shares at the beginning of the year (01/04/2021)/ end of the year (31/03/2022) | % of total shares of the Company |                                                                                                                                                                | No. of shares | Reason | No. of shares                                                      | % of total shares of the Company |
| 1     | Mr. Makrand M. Appalwar | 3,826,450                                                                             | 21.63                            | 01.04.2021                                                                                                                                                     |               |        |                                                                    |                                  |
|       |                         |                                                                                       |                                  | 12.11.2021                                                                                                                                                     | 1,000         | Buy    | 3,827,450                                                          | 21.64                            |
|       |                         | 3,827,450                                                                             | 21.64                            | 31.03.2022                                                                                                                                                     |               |        | 3,827,450                                                          | 21.64                            |
| 2     | Mrs. Rinku M. Appalwar  | 2,366,746                                                                             | 13.38                            | 01.04.2021                                                                                                                                                     |               |        |                                                                    |                                  |
|       |                         |                                                                                       |                                  | 12.11.2021                                                                                                                                                     | 1,000         | Buy    | 2,367,746                                                          | 13.38                            |
|       |                         | 2,367,746                                                                             | 13.38                            | 31.03.2022                                                                                                                                                     |               |        | 2,367,746                                                          | 13.38                            |

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

| SR NO | NAME OF THE SHAREHOLDER    | SHAREHOLDING AT THE BEGINNING OF THE YEAR                                             |                                  | DATE WISE 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 (01/04/2021 to 31/03/2022) |                                  |
|-------|----------------------------|---------------------------------------------------------------------------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------|--------------------------------------------------------------------|----------------------------------|
|       |                            | No. of shares at the beginning of the year (01/04/2021)/ end of the year (31/03/2022) | % of total shares of the Company |                                                                                                                                                                 | No. of shares | Reason | No. of shares                                                      | % of total shares of the Company |
| 1     | HIDDEN CHAMPIONS FUND      | 1,222,653                                                                             | 6.91                             | 01.04.2021                                                                                                                                                      |               |        |                                                                    |                                  |
|       |                            |                                                                                       |                                  | Nil movement during the year                                                                                                                                    |               |        |                                                                    |                                  |
|       |                            | 1,222,653                                                                             | 6.91                             | 31.03.2022                                                                                                                                                      |               |        | 1,222,653                                                          | 6.91                             |
| 2     | TRUSTLINE DEEP ALPHA AIF   | 482,300                                                                               | 2.73                             | 01.04.2021                                                                                                                                                      |               |        |                                                                    |                                  |
|       |                            |                                                                                       |                                  | 16.07.2021                                                                                                                                                      | 150,000       | Sell   | 332,300                                                            | 1.88                             |
|       |                            | 332,300                                                                               | 1.88                             | 31.03.2022                                                                                                                                                      |               |        | 332,300                                                            | 1.88                             |
| 3     | AAKASH FILAMENTS PVT. LTD. | 132,689                                                                               | 0.75                             | 01.04.2021                                                                                                                                                      |               |        |                                                                    |                                  |
|       |                            |                                                                                       |                                  | Nil movement during the year                                                                                                                                    |               |        |                                                                    |                                  |
|       |                            | 132,689                                                                               | 0.75                             | 31.03.2022                                                                                                                                                      |               |        | 132,689                                                            | 0.75                             |
| 4     | ASHOK MAGANLAL SHAH        | 95,901                                                                                | 0.54                             | 01.04.2021                                                                                                                                                      |               |        |                                                                    |                                  |
|       |                            |                                                                                       |                                  | 23.07.2021                                                                                                                                                      | 150           | Sell   | 95,751                                                             | 0.54                             |
|       |                            |                                                                                       |                                  | 20.08.2021                                                                                                                                                      | 140           | Sell   | 95,611                                                             | 0.54                             |
|       |                            |                                                                                       |                                  | 27.08.2021                                                                                                                                                      | 140           | Buy    | 95,751                                                             | 0.54                             |
|       |                            |                                                                                       |                                  | 21.09.2021                                                                                                                                                      | 809           | Buy    | 96,560                                                             | 0.55                             |
|       |                            |                                                                                       |                                  | 22.10.2021                                                                                                                                                      | 3,330         | Buy    | 99,890                                                             | 0.57                             |
|       |                            |                                                                                       |                                  | 29.10.2021                                                                                                                                                      | 3,105         | Buy    | 102,995                                                            | 0.58                             |
|       |                            | 102,995                                                                               | 0.58                             | 31.03.2022                                                                                                                                                      |               |        | 102,995                                                            | 0.58                             |
| 5     | MRUNALINI RAJESH PANDIT    | 99,575                                                                                | 0.56                             | 01.04.2021                                                                                                                                                      |               |        |                                                                    |                                  |
|       |                            |                                                                                       |                                  | Nil movement during the year                                                                                                                                    |               |        |                                                                    |                                  |
|       |                            | 99,575                                                                                | 0.56                             | 31.03.2022                                                                                                                                                      |               |        | 99,575                                                             | 0.56                             |
| 6     | UMAIYA TRADING PVT LTD     | 89,012                                                                                | 0.50                             | 01.04.2021                                                                                                                                                      |               |        |                                                                    |                                  |
|       |                            |                                                                                       |                                  | Nil movement during the year                                                                                                                                    |               |        |                                                                    |                                  |
|       |                            | 89,012                                                                                | 0.50                             | 31.03.2022                                                                                                                                                      |               |        | 89,012                                                             | 0.50                             |
| 7     | *BHARATH C JAIN            | 0                                                                                     | 0.00                             | 01.04.2021                                                                                                                                                      |               |        |                                                                    |                                  |
|       |                            |                                                                                       |                                  | 16.04.2021                                                                                                                                                      | 16,648        | Buy    | 16,648                                                             | 0.09                             |
|       |                            |                                                                                       |                                  | 23.04.2021                                                                                                                                                      | 6,816         | Buy    | 23,464                                                             | 0.13                             |
|       |                            |                                                                                       |                                  | 30.04.2021                                                                                                                                                      | 2,557         | Buy    | 26,021                                                             | 0.15                             |
|       |                            |                                                                                       |                                  | 07.05.2021                                                                                                                                                      | 4,348         | Buy    | 30,369                                                             | 0.17                             |
|       |                            |                                                                                       |                                  | 21.05.2021                                                                                                                                                      | 11,858        | Buy    | 42,227                                                             | 0.24                             |
|       |                            |                                                                                       |                                  | 29.10.2021                                                                                                                                                      | 7,512         | Buy    | 49,739                                                             | 0.28                             |
|       |                            |                                                                                       |                                  | 05.11.2021                                                                                                                                                      | 9,193         | Buy    | 58,932                                                             | 0.33                             |
|       |                            |                                                                                       |                                  | 12.11.2021                                                                                                                                                      | 13,644        | Buy    | 72,576                                                             | 0.41                             |
|       |                            | 72,576                                                                                | 0.41                             | 31.03.2022                                                                                                                                                      |               |        | 72,576                                                             | 0.41                             |
| 8     | KRISHNAN SUBRAMANIAN       | 72,000                                                                                | 0.41                             | 01.04.2021                                                                                                                                                      |               |        |                                                                    |                                  |
|       |                            |                                                                                       |                                  | Nil movement during the year                                                                                                                                    |               |        |                                                                    |                                  |
|       |                            | 72,000                                                                                | 0.41                             | 31.03.2022                                                                                                                                                      |               |        | 72,000                                                             | 0.41                             |

| 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 (01/04/2021 TO 31/03/2022) |                                  |
|-------|------------------------------|---------------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------|--------------------------------------------------------------------|----------------------------------|
|       |                              | No. of shares at the beginning of the year (01/04/2021)/ end of the year (31/03/2022) | % of total shares of the Company |                                                                                                                                                                | No. of shares | Reason | No. of shares                                                      | % of total shares of the Company |
| 9     | *SUDHA JAWAHAR SHAH          | 41,750                                                                                | 0.24                             | 01.04.2021                                                                                                                                                     |               |        |                                                                    |                                  |
|       |                              |                                                                                       |                                  | 09.04.2021                                                                                                                                                     | 2,000         | Buy    | 43,750                                                             | 0.25                             |
|       |                              |                                                                                       |                                  | 23.04.2021                                                                                                                                                     | 3,000         | Buy    | 46,750                                                             | 0.26                             |
|       |                              |                                                                                       |                                  | 16.07.2021                                                                                                                                                     | 5,500         | Sell   | 41,250                                                             | 0.23                             |
|       |                              |                                                                                       |                                  | 19.11.2021                                                                                                                                                     | 18,000        | Buy    | 59,250                                                             | 0.34                             |
|       |                              |                                                                                       |                                  | 10.12.2021                                                                                                                                                     | 9,000         | Buy    | 68,250                                                             | 0.39                             |
|       |                              |                                                                                       |                                  | 21.01.2022                                                                                                                                                     | 250           | Sell   | 68,000                                                             | 0.38                             |
|       |                              | 68,000                                                                                | 0.38                             | 31.03.2022                                                                                                                                                     |               |        | 68,000                                                             | 0.38                             |
| 10    | *KAPIL J BHAT                | 0                                                                                     | 0.00                             | 01.04.2021                                                                                                                                                     |               |        |                                                                    |                                  |
|       |                              |                                                                                       |                                  | 21.05.2021                                                                                                                                                     | 62,489        | Buy    | 62,489                                                             | 0.35                             |
|       |                              | 62,489                                                                                | 0.35                             | 31.03.2022                                                                                                                                                     |               |        | 62,489                                                             | 0.35                             |
| 11    | ZEN SECURITIES LIMITED       | 100,365                                                                               | 0.57                             | 01.04.2021                                                                                                                                                     |               |        |                                                                    |                                  |
|       |                              |                                                                                       |                                  | 09.04.2021                                                                                                                                                     | 10            | Buy    | 100,375                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 16.04.2021                                                                                                                                                     | 375           | Sell   | 100,000                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 30.04.2021                                                                                                                                                     | 2,187         | Buy    | 102,187                                                            | 0.58                             |
|       |                              |                                                                                       |                                  | 07.05.2021                                                                                                                                                     | 2,087         | Sell   | 100,100                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 14.05.2021                                                                                                                                                     | 100           | Buy    | 100,200                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 21.05.2021                                                                                                                                                     | 200           | Sell   | 100,000                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 28.05.2021                                                                                                                                                     | 500           | Buy    | 100,500                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 04.06.2021                                                                                                                                                     | 460           | Sell   | 100,040                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 11.06.2021                                                                                                                                                     | 360           | Buy    | 100,400                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 18.06.2021                                                                                                                                                     | 400           | Sell   | 100,000                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 09.07.2021                                                                                                                                                     | 500           | Buy    | 100,500                                                            | 0.57                             |
|       |                              |                                                                                       |                                  | 16.07.2021                                                                                                                                                     | 16,133        | Buy    | 116,633                                                            | 0.66                             |
|       |                              |                                                                                       |                                  | 23.07.2021                                                                                                                                                     | 116,133       | Sell   | 500                                                                | 0.00                             |
|       |                              |                                                                                       |                                  | 30.07.2021                                                                                                                                                     | 1,500         | Buy    | 2,000                                                              | 0.01                             |
|       |                              |                                                                                       |                                  | 06.08.2021                                                                                                                                                     | 2,000         | Sell   | -                                                                  | 0.00                             |
|       |                              |                                                                                       |                                  | 13.08.2021                                                                                                                                                     | 180           | Buy    | 180                                                                | 0.00                             |
|       |                              |                                                                                       |                                  | 20.08.2021                                                                                                                                                     | 180           | Sell   | -                                                                  | 0.00                             |
|       |                              |                                                                                       |                                  | 30.09.2021                                                                                                                                                     | 500           | Buy    | 500                                                                | 0.00                             |
|       |                              |                                                                                       |                                  | 01.10.2021                                                                                                                                                     | 500           | Sell   | -                                                                  | 0.00                             |
|       |                              |                                                                                       |                                  | 08.10.2021                                                                                                                                                     | 5,711         | Buy    | 5,711                                                              | 0.03                             |
|       |                              |                                                                                       |                                  | 15.10.2021                                                                                                                                                     | 5,711         | Sell   | -                                                                  | 0.0                              |
|       |                              |                                                                                       |                                  | 22.10.2021                                                                                                                                                     | 2,000         | Buy    | 2,000                                                              | 0.01                             |
|       |                              |                                                                                       |                                  | 29.10.2021                                                                                                                                                     | 2,000         | Sell   | -                                                                  | 0.00                             |
|       |                              |                                                                                       |                                  | 10.12.2021                                                                                                                                                     | 200           | Buy    | 200                                                                | 0.00                             |
|       |                              |                                                                                       |                                  | 17.12.2021                                                                                                                                                     | 200           | Sell   | -                                                                  | 0.00                             |
|       |                              |                                                                                       |                                  | 07.01.2022                                                                                                                                                     | 1,500         | Buy    | 1,500                                                              | 0.00                             |
|       |                              |                                                                                       |                                  | 14.01.2022                                                                                                                                                     | 5,752         | Buy    | 7,252                                                              | 0.04                             |
|       |                              |                                                                                       |                                  | 21.01.2022                                                                                                                                                     | 6,976         | Sell   | 276                                                                | 0.00                             |
|       |                              |                                                                                       |                                  | 28.01.2022                                                                                                                                                     | 276           | Sell   | -                                                                  | 0.00                             |
|       |                              |                                                                                       |                                  | 11.03.2022                                                                                                                                                     | 10            | Buy    | 10                                                                 | 0.00                             |
|       |                              |                                                                                       |                                  | 18.03.2022                                                                                                                                                     | 10            | Sell   | -                                                                  | 0.00                             |
|       |                              |                                                                                       |                                  | 31.03.2022                                                                                                                                                     | 576           | Buy    | 576                                                                | 0.00                             |
|       |                              | 576                                                                                   | 0.00                             | 31.03.2022                                                                                                                                                     |               |        | 576                                                                | 0.00                             |
| 12    | #ITHOUGHTWEALTHANALYTICS LLP | 489,705                                                                               | 2.77                             | 01.04.2021                                                                                                                                                     |               |        |                                                                    |                                  |
|       |                              |                                                                                       |                                  | 04.06.2021                                                                                                                                                     | 6             | Sell   | 489,699                                                            | 2.77                             |
|       |                              |                                                                                       |                                  | 11.06.2021                                                                                                                                                     | 41,654        | Sell   | 448,045                                                            | 2.53                             |
|       |                              |                                                                                       |                                  | 18.06.2021                                                                                                                                                     | 62,061        | Sell   | 385,984                                                            | 2.18                             |
|       |                              |                                                                                       |                                  | 25.06.2021                                                                                                                                                     | 7,121         | Sell   | 378,863                                                            | 2.14                             |
|       |                              |                                                                                       |                                  | 30.06.2021                                                                                                                                                     | 11,790        | Buy    | 390,653                                                            | 2.21                             |
|       |                              |                                                                                       |                                  | 02.07.2021                                                                                                                                                     | 12,156        | Sell   | 378,497                                                            | 2.14                             |
|       |                              |                                                                                       |                                  | 09.07.2021                                                                                                                                                     | 115,950       | Sell   | 262,547                                                            | 1.48                             |
|       |                              |                                                                                       |                                  | 16.07.2021                                                                                                                                                     | 226,425       | Sell   | 36,122                                                             | 0.20                             |
|       |                              |                                                                                       |                                  | 23.07.2021                                                                                                                                                     | 36,122        | Sell   | 0                                                                  | 0.00                             |
|       |                              | 0                                                                                     | 0.00                             | 31.03.2022                                                                                                                                                     |               |        | 0                                                                  | 0.00                             |
| 13    | #VINAY GOPINATH PAI          | 98,678                                                                                | 0.56                             | 01.04.2021                                                                                                                                                     |               |        |                                                                    |                                  |
|       |                              |                                                                                       |                                  | 11.06.2021                                                                                                                                                     | 10,079        | Sell   | 88,599                                                             | 0.50                             |
|       |                              |                                                                                       |                                  | 18.06.2021                                                                                                                                                     | 3,000         | Sell   | 85,599                                                             | 0.48                             |
|       |                              |                                                                                       |                                  | 25.06.2021                                                                                                                                                     | 3,000         | Sell   | 82,599                                                             | 0.47                             |
|       |                              |                                                                                       |                                  | 30.06.2021                                                                                                                                                     | 9,097         | Sell   | 73,502                                                             | 0.42                             |
|       |                              |                                                                                       |                                  | 09.07.2021                                                                                                                                                     | 2,000         | Sell   | 71,502                                                             | 0.40                             |
|       |                              |                                                                                       |                                  | 16.07.2021                                                                                                                                                     | 2,000         | Sell   | 69,502                                                             | 0.39                             |
|       |                              |                                                                                       |                                  | 23.07.2021                                                                                                                                                     | 500           | Sell   | 69,002                                                             | 0.39                             |
|       |                              |                                                                                       |                                  | 30.07.2021                                                                                                                                                     | 6,701         | Sell   | 62,301                                                             | 0.35                             |
|       |                              |                                                                                       |                                  | 12.11.2021                                                                                                                                                     | 4,000         | Sell   | 58,301                                                             | 0.33                             |
|       |                              |                                                                                       |                                  | 19.11.2021                                                                                                                                                     | 838           | Sell   | 57,463                                                             | 0.32                             |

| 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 (01/04/2021 TO 31/03/2022) |                                  |
|-------|-------------------------|---------------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------|--------------------------------------------------------------------|----------------------------------|
|       |                         | No. of shares at the beginning of the year (01/04/2021)/ end of the year (31/03/2022) | % of total shares of the Company |                                                                                                                                                                | No. of shares | Reason | No. of shares                                                      | % of total shares of the Company |
|       |                         |                                                                                       |                                  | 26.11.2021                                                                                                                                                     | 720           | Sell   | 56,743                                                             | 0.32                             |
|       |                         |                                                                                       |                                  | 07.01.2022                                                                                                                                                     | 3,655         | Sell   | 53,088                                                             | 0.30                             |
|       |                         |                                                                                       |                                  | 25.03.2022                                                                                                                                                     | 53,088        | Sell   | -                                                                  | 0.00                             |
|       |                         | 0                                                                                     | 0.00                             | 31.03.2022                                                                                                                                                     |               |        | -                                                                  | 0.00                             |

\*Not in the list of Top 10 shareholders as on 01-04-2021. The same has been reflected above since the shareholder is one of the Top 10 shareholders as on 31-03-2022.

# Ceased to be in the list of Top 10 shareholders as on 31-03-2022. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2021.

**(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 (01/04/2021 TO 31/03/2022) |                                  |
|----------|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|------------------------------|--------------------------------------------------------------------|----------------------------------|
|          |                                                                         | No. of shares at the beginning of the year (01/04/2021)/ end of the year (31/03/2022) | % of total shares of the Company |                                                                                                                                                                | No. of shares | Reason                       | No. of shares                                                      | % of total shares of the Company |
| <b>A</b> | <b>DIRECTORS</b>                                                        |                                                                                       |                                  |                                                                                                                                                                |               |                              |                                                                    |                                  |
| 1        | Mr. Makrand M. Appalwar<br>Chairman & Managing Director                 | 3,826,450                                                                             | 21.63                            | 01.04.2021                                                                                                                                                     |               |                              |                                                                    |                                  |
|          |                                                                         |                                                                                       |                                  | 12.11.2021                                                                                                                                                     | 1,000         | Buy                          | 3,827,450                                                          | 21.64                            |
|          |                                                                         | 3,826,450                                                                             | 21.64                            | 31.03.2022                                                                                                                                                     |               |                              | 3,826,450                                                          | 21.64                            |
| 2        | Mrs. Rinku M. Appalwar<br>Executive Director & CFO                      | 2,366,746                                                                             | 13.38                            | 01.04.2021                                                                                                                                                     |               |                              |                                                                    |                                  |
|          |                                                                         |                                                                                       |                                  | 12.11.2021                                                                                                                                                     | 1,000         | Buy                          | 2,367,746                                                          | 13.38                            |
|          |                                                                         | 2,367,746                                                                             | 13.38                            | 31.03.2022                                                                                                                                                     |               |                              | 2,367,746                                                          | 13.38                            |
| 3        | Mr. Krishnan I. Subramanian<br>Whole Time Director                      | 72,000                                                                                | 0.41                             | 01.04.2021                                                                                                                                                     | -             | Nil movement during the year |                                                                    |                                  |
|          |                                                                         | 72,000                                                                                | 0.41                             | 31.03.2022                                                                                                                                                     | -             |                              | 72,000                                                             | 0.41                             |
| 4        | Mr. Prashant K. Lohiya<br>Non-Executive Director & Independent Director | 6,250                                                                                 | 0.04                             | 01.04.2021                                                                                                                                                     | -             | Nil movement during the year |                                                                    |                                  |
|          |                                                                         | 6,250                                                                                 | 0.04                             | 31.03.2022                                                                                                                                                     | -             |                              | 6,250                                                              | 0.04                             |
| 5        | Dr. Venkatesh G. Joshi<br>Non-Executive Director & Independent Director | 0                                                                                     | 0.00                             | 01.04.2021                                                                                                                                                     | 0             | Nil movement during the year |                                                                    |                                  |
|          |                                                                         | 0                                                                                     | 0.00                             | 31.03.2022                                                                                                                                                     | 0             |                              | 0                                                                  | 0.00                             |
| 6        | Mr. Rama A. Krishnan<br>Non-Executive Director & Independent Director   | 0                                                                                     | 0.00                             | 01.04.2021                                                                                                                                                     | 0             | Nil movement during the year |                                                                    |                                  |
|          |                                                                         | 0                                                                                     | 0.00                             | 31.03.2022                                                                                                                                                     | 0             |                              | 0                                                                  | 0.00                             |
| <b>B</b> | <b>KEY MANAGERIAL PERSONNEL (KMP's)</b>                                 |                                                                                       |                                  |                                                                                                                                                                |               |                              |                                                                    |                                  |
| 1        | Mr. Makrand M. Appalwar<br>Chairman & Managing Director                 | 3,826,450                                                                             | 21.63                            | 01.04.2021                                                                                                                                                     |               |                              |                                                                    |                                  |
|          |                                                                         |                                                                                       |                                  | 12.11.2021                                                                                                                                                     | 1,000         | Buy                          | 3,827,450                                                          | 21.64                            |
|          |                                                                         | 3,827,750                                                                             | 21.64                            | 31.03.2022                                                                                                                                                     |               |                              | 3,827,750                                                          | 21.64                            |
| 2        | Mrs. Rinku M. Appalwar<br>Executive Director & CFO                      | 2,366,746                                                                             | 13.38                            | 01.04.2021                                                                                                                                                     |               |                              |                                                                    |                                  |
|          |                                                                         |                                                                                       |                                  | 12.11.2021                                                                                                                                                     | 1,000         | Buy                          | 2,367,746                                                          | 13.38                            |
|          |                                                                         | 2,367,746                                                                             | 13.38                            | 31.03.2022                                                                                                                                                     |               |                              | 2,367,746                                                          | 13.38                            |
| 3        | Mr. Kaushal R. Patvi<br>Company Secretary & Compliance Officer          | 0                                                                                     | 0.00                             | 01.04.2021                                                                                                                                                     | 0             | Nil movement during the year |                                                                    |                                  |
|          |                                                                         | 0                                                                                     | 0.00                             | 31.03.2022                                                                                                                                                     | 0             |                              | 0                                                                  | 0.00                             |

## V INDEBTEDNESS

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

|                                                   | (Rs. in millions)                   |                    |                       |
|---------------------------------------------------|-------------------------------------|--------------------|-----------------------|
|                                                   | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Total<br>Indebtedness |
| Indebtness at the beginning of the financial year |                                     |                    |                       |
| i) Principal Amount                               | 1,356.11                            | 8.06               | 1,364.17              |
| ii) Interest due but not paid                     | 3.45                                | -                  | 3.45                  |
| iii) Interest accrued but not due                 | -                                   | -                  | -                     |
| Total (i+ii+iii)                                  | 1,359.56                            | 8.06               | 1,367.62              |
| Change in Indebtedness during the financial year  |                                     |                    |                       |
| Additions                                         | 209.68                              | -                  | 209.68                |
| Reduction                                         | 126.99                              | 7.55               | 134.54                |
| Net Change                                        | 82.69                               | (7.55)             | 75.14                 |
| Indebtedness at the end of the financial year     |                                     |                    |                       |
| i) Principal Amount                               | 1,438.80                            | 0.51               | 1,439.31              |
| ii) Interest due but not paid                     | 3.34                                | -                  | 3.34                  |
| iii) Interest accrued but not due                 | -                                   | -                  | -                     |
| Total (i+ii+iii)                                  | 1,442.14                            | 0.51               | 1,442.65              |



Planter Bag

## 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 (Rs.) |
|-----------|-----------------------------------------------------------------------------|-----------------------------|-------------------|-------------------------|--------------------|
|           |                                                                             | Makrand M. Appalwar         | Rinku M. Appalwar | Krishnan I. Subramanian |                    |
| 1         | Gross salary                                                                |                             |                   |                         |                    |
| (a)       | Salary as per provisions contained in section 17(1) of the Income Tax, 1961 | 7,800,000                   | 7,200,000         | 1,500,000               | 16,500,000         |
| (b)       | Value of perquisites u/s 17(2) section 17(3) 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) |                                                                             | 7,839,600                   | 7,239,600         | 1,500,000               | 16,579,200         |

### B. Remuneration to other directors:

| SI No.                              | PARTICULARS OF REMUNERATION                  | NAME OF THE DIRECTORS |                  |                    | TOTAL AMOUNT (Rs.) |
|-------------------------------------|----------------------------------------------|-----------------------|------------------|--------------------|--------------------|
|                                     |                                              | Prashant K. Lohiya    | Rama A. Krishnan | Venkatesh G. Joshi |                    |
| 1                                   | Independent Directors                        |                       |                  |                    |                    |
| (a)                                 | Fees for attending board/ committee meetings | 103,000               | 103,000          | 103,000            | 309,000            |
| (b)                                 | Commission                                   | —                     | —                | —                  | —                  |
| (c)                                 | Others, please specify                       | —                     | —                | —                  | —                  |
| Total (1)                           |                                              | 103,000               | 103,000          | 103,000            | 309,000            |
| 2                                   | Other Non Executive Directors                |                       |                  |                    |                    |
| (a)                                 | Fees for attending board/ committee meetings | —                     | —                | —                  | —                  |
| (b)                                 | Commission                                   | —                     | —                | —                  | —                  |
| (c)                                 | Others, please specify                       | —                     | —                | —                  | —                  |
| Total (2)                           |                                              | —                     | —                | —                  | —                  |
| Total (B)=(1+2)                     |                                              | 103,000               | 103,000          | 103,000            | 309,000            |
| Total Managerial Remuneration*(A+B) |                                              |                       |                  |                    | 16,888,200         |

\* Total remuneration to Managing Director, Executive Director and CFO, Whole-Time Director and other Independent Directors (being the total of A and B).

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

| Sl No. | PARTICULARS OF REMUNERATION                                                  | KEY MANAGERIAL PERSONNEL                   |                                                |                                         | TOTAL AMOUNT (Rs.) |
|--------|------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------|-----------------------------------------|--------------------|
|        |                                                                              | Managing Director<br>(Vakrand M. Appalwar) | Chief Financial Officer<br>(Rinku M. Appalwar) | Company Secretary<br>(Kaushal R. Patvi) |                    |
| 1      | Gross salary                                                                 |                                            |                                                |                                         |                    |
| (a)    | Salary as per provisions contained in section 17(1) of the Income Tax, 1961. | 7,800,000                                  | 7,200,000                                      | 1,401,701                               | 16,401,701         |
| (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  |                                                                              | 7,839,600                                  | 7,239,600                                      | 1,401,701                               | 16,401,701         |

**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                               |

**ANNEXURE 2 TO BOARD'S REPORT**

**Risk Management**

**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. Our capacity utilisation taking into account the expansion to 27,440 mtpa stands at 89%, and this is expected to move up to 95% the coming year. We have used a mix of out-sourcing, automation, and adoption of Industry 4.0, to ensure the best distribution of fixed costs. We consciously ensure that our production is not concentrated on one unit and is spread across five locations to mitigate any eventuality. We always maintain cordial and healthy relationship with workers, 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 banking lenders, ample lines, and a good standing with all the lenders.

**Liquidity Risk**

We maintain adequate cash at all times. Despite making some purchases on an advance payment basis 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. Also the working capital cycle has shown a continual improvement over the past few years, and currently it is under 100 days. We maintain a healthy dividend pay out which cements that Emmbi is a very liquid company.

### Single Product Risk

Emmbi's product line is well diversified with sales to over 200 clients in 70 countries across 40 products. No single client contributes to more than 5% of total revenues. We have strategically reduced our dependence on low margin products. Our foray into the B2C has also decoupled our concentration risk, where the consumers are more granular in nature.

### Single Geography Risk

Emmbi exports to 70 countries and is not exposed to a single market or its vagaries.

### Foreign Exchange Risk

Emmbi has an internal policy to hedge all its export revenues, and it has no exposure to foreign currency borrowings. The company also does not trade, or speculate in the foreign currency market or make any opportunistic positions.

### Systems & Enterprise Wide Risk

We are compliant with 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. The fact that Emmbi is accredited as an R&D House by the Government of India also emphasises that our risk management practices have been approved and commended by the Government.

We have in the past year, invested into a supply-chain ERP, designed specifically for our B2C segment. All our distributors, stockists, and dealers are connected through a Sales Force, which in addition to helping with leads, has also increased operational efficiencies.

### Pandemic and Unforeseen Events

Whilst there are events, whose probability of occurrence may be very-low, however the impact can be very-severe, threaten disruptions to both earnings, and capital. Emmbi ensures that in case of such a rarity, it's prudent way of decision making, policies, financial resources, flexible manufacturing, and experience of the Management, makes it on a better footing to handle such events.

**ANNEXURE 3 TO BOARD'S REPORT  
FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 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 31<sup>st</sup> March, 2022 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 31<sup>st</sup> March, 2022 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);
- (ii) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended 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.

#### **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.

Note: 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**  
**FCS 2655 / CP 1798**  
**Date: 16<sup>th</sup> May, 2022**  
**Place: Mumbai**  
**UDIN: F002655D000328255**



## 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.

**For SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R DHOLAKIA)**

**Practising Company Secretary**

**Proprietor**

**FCS 2655 / CP 1798**

**Date: 16<sup>th</sup> May, 2022**

**Place: Mumbai**

**UDIN: F002655D000328255**

### ANNEXURE-4 TO 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 8 of The Companies (Corporate Social Responsibility) Rules, 2014]**

1. A brief outline of the Company's CSR Policy:

The Company has set high ethical standards for all its dealings and believes in inspiring trust and confidence. We strongly believe that, we exist not only for doing good business, but equally for the betterment of the Society. The Company has implemented its CSR policy / charter to focus on the following areas inter-alia, by promoting:

- Environmental Sustainability;
- Education;
- Healthcare;
- Support to the socially and economically weaker sections of the society; and
- Women Empowerment;

2. The Composition of the CSR Committee:

| Sr No. | Name of the Director | Designation/ Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|----------------------|-------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1.     | Dr. Venkatesh Joshi  | Chairman                            | 1                                                        | 1                                                            |
| 2.     | Mr. Prashant Lohiya  | Member                              | 1                                                        | 1                                                            |
| 3.     | Mr. Rama Krishnan    | Member                              | 1                                                        | 1                                                            |
| 4.     | Mrs. Rinku Appalwar  | Member                              | 1                                                        | 1                                                            |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The web-link for the aforesaid information is as under: [www.emmbi.com](http://www.emmbi.com)

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

6. Average net profit of the company as per section 135(5): Rs. 17,53,38,362/-

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 35,06,770/-  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
 (c) Amount required to be set off for the financial year, if any: Rs. 2,42,218/-  
 (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 32,64,552/-

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent<br>for the Financial Year (in Rs.)                    |                  |                  | Amount Unspent (in Rs.)                                                                                 |                  |  |
|--------------------------------------------------------------------------|------------------|------------------|---------------------------------------------------------------------------------------------------------|------------------|--|
| Total Amount transferred to Unspent CSR<br>Account as per section 135(6) |                  |                  | Amount transferred to any fund specified under<br>Schedule VII as per second proviso to section 135(5). |                  |  |
| Amount                                                                   | Date of Transfer | Name of the Fund | Amount                                                                                                  | Date of Transfer |  |
| Rs. 32,68,909/-                                                          | Nil              | Nil              | Nil                                                                                                     | Nil              |  |

\* Note: The unspent amount will be transferred to unspent CSR Account within 30 days from the end of financial year, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules.

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

| (1)<br>Sr.<br>No. | (2)<br>Name of the<br>Project                                        | (3)<br>Items from<br>the list of<br>activities in<br>Schedule<br>VII to the<br>Act | (4)<br>Local<br>Area<br>(Yes/No) | (5)<br>Location of<br>the project |           | (6)<br>Amount<br>spent for<br>the project<br>(inRs.) | (7)<br>Amount<br>transferred<br>to Unspent<br>CSR A/c<br>for the<br>project as<br>per Section<br>135(6)(Rs.) | (8)<br>Mode of<br>Implementation<br>Direct (Yes/No) | (9)<br>Mode of<br>Implementation<br>through<br>Implementing<br>Agency |                            |
|-------------------|----------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------|-----------------------------------|-----------|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------|----------------------------|
|                   |                                                                      |                                                                                    |                                  | State                             | District  |                                                      |                                                                                                              |                                                     | Name                                                                  | CSR<br>Registration<br>No. |
| 1.                | Healthcare<br>Programme<br>Providing<br>free<br>Medicines            | Promoting<br>healthcare<br>including<br>preventive<br>health care                  | No                               | Silvassa                          | Silvassa  | 11,50,956                                            | Nil                                                                                                          | No                                                  | Emmbi<br>Foundation                                                   | CSR<br>00000243            |
| 2.                | Healthcare<br>Programme<br>Providing<br>free<br>Medicines            | Promoting<br>healthcare<br>including<br>preventive<br>health care                  | Yes                              | Maharashtra                       | Mumbai    | 12,341                                               | Nil                                                                                                          | No                                                  |                                                                       |                            |
| 3.                | Promoting<br>Education                                               | Promoting<br>Education                                                             | Yes                              | Maharashtra                       | Mumbai    | 2,37,230                                             | Nil                                                                                                          | No                                                  |                                                                       |                            |
| 4.                | Promoting<br>Education                                               | Promoting<br>Education                                                             | No                               | Gujarat                           | Gujarat   | 58,800                                               | Nil                                                                                                          | No                                                  |                                                                       |                            |
| 5.                | Healthcare<br>Programme<br>providing free<br>medical<br>treatment    | Promoting<br>healthcare<br>including<br>preventive<br>health care                  | No                               | Gujarat                           | Gujarat   | 1,20,000                                             | Nil                                                                                                          | No                                                  |                                                                       |                            |
| 6.                | Healthcare<br>Programme<br>Providing<br>free medical<br>treatment    | Promoting<br>healthcare<br>including<br>preventive<br>health care                  | No                               | Karnataka                         | Karnataka | 25,000                                               | Nil                                                                                                          | No                                                  |                                                                       |                            |
| 7.                | Healthcare<br>Programme<br>Providing<br>free<br>medical<br>treatment | Promoting<br>healthcare<br>including<br>preventive<br>health care                  | Yes                              | Maharashtra                       | Mumbai    | 2,72,756                                             | Nil                                                                                                          | No                                                  |                                                                       |                            |

| (1)<br>Sr.<br>No. | (2)<br>Name of the<br>Project                                        | (3)<br>Items from<br>the list of<br>activities in<br>Schedule<br>VII to the<br>Act | (4)<br>Local<br>Area<br>(Yes/No) | (5)<br>Location of<br>the project |          | (6)<br>Amount<br>spent for<br>the project<br>(inRs.) | (7)<br>Amount<br>transferred<br>to Unspent<br>CSR A/c<br>for the<br>project as<br>per Section<br>135(6)(in Rs.) | (8)<br>Mode of<br>Implementation<br>Direct (Yes/No) | (9)<br>Mode of<br>Implementation<br>through<br>Implementing<br>Agency |                            |
|-------------------|----------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------|-----------------------------------|----------|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------|----------------------------|
|                   |                                                                      |                                                                                    |                                  | State                             | District |                                                      |                                                                                                                 |                                                     | Name                                                                  | CSR<br>Registration<br>No. |
| 8.                | Healthcare<br>Programme<br>Providing<br>free<br>medical<br>treatment | Promoting<br>healthcare<br>including<br>preventive<br>health care                  | No                               | Silvassa                          | Silvassa | 1,13,410                                             | Nil                                                                                                             | No                                                  |                                                                       |                            |
| 9.                | Social and<br>Economic<br>Development                                | Help to<br>economically<br>backward<br>people                                      | Yes                              | Maharashtra                       | Mumbai   | 8,25,571                                             | Nil                                                                                                             | No                                                  |                                                                       |                            |
| 10.               | Social and<br>Economic<br>Development                                | Help to<br>economically<br>backward<br>people                                      | No                               | Haryana                           | Haryana  | 60,000                                               | Nil                                                                                                             | No                                                  |                                                                       |                            |
| 11.               | Social and<br>Economic<br>Development                                | Help to<br>economically<br>backward<br>people                                      | No                               | Silvassa                          | Silvassa | 2,78,810                                             | Nil                                                                                                             | No                                                  |                                                                       |                            |
| 12.               | Promoting<br>women<br>empower-<br>ment                               | Promoting<br>women<br>empower-<br>ment                                             | No                               | Silvassa                          | Silvassa | 64,035                                               | Nil                                                                                                             | No                                                  |                                                                       |                            |
| 13.               | Promoting<br>Environm<br>ental<br>Sustainability                     | Promoting<br>Water<br>Conservation                                                 | Yes                              | Maharashtra                       | Mumbai   | 50,000                                               | Nil                                                                                                             | No                                                  |                                                                       |                            |

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 32,68,909/-

(g) Excess amount for set off, if any: 4,357/-

\* During the financial year 2021-22, the Company had transferred Rs. 40,00,000/- to Emmbi Foundation. Emmbi Industries Limited has fulfilled its CSR obligations for financial year 2021-22 amounting to Rs.35,06,770/- as required under Section 135 of the Companies Act, 2013.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sr.<br>No<br>spent | Preceding<br>Financial<br>Year | Amount<br>transferred to<br><br>Unspent CSR<br>Account under<br>section 135 (6)<br>(in Rs.) | Amount<br>spent in the<br><br>reporting<br>Financial<br>Year<br>(in Rs.) | Amount transferred to any fund<br>specified under Schedule VII as<br><br>per section 135(6), if any<br><br>Name of the Fund      Amount (in Rs.)      Date of Transfer |  |  | Amount<br>remaining to be<br><br>in succeeding<br>financial years (in Rs.) |
|--------------------|--------------------------------|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|----------------------------------------------------------------------------|
| Not Applicable     |                                |                                                                                             |                                                                          |                                                                                                                                                                        |  |  |                                                                            |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The Company has identified certain CSR projects and programs in the villages around Silvassa or in the area of its operation in retail sector on PAN India basis. 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.

\* 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.

Place: Silvassa

Date: 16<sup>th</sup> May, 2022

(Makrand Appalwar)

Chairman & Managing Director

DIN: 00171950

(Dr. Venkatesh Joshi)

Chairman of CSR Committee

DIN: 01234871

Avana  
Tank



# 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

Economic activity, that had been muted the year preceding Covid, and which took a turn for the worse the previous fiscal experienced a good growth of 8.70%, which incidentally was the highest experienced over the past 22 years. This however was not secular across all sectors, and parts of the country continued to reel under the effects of Covid, especially the first quarter of this fiscal. The benign interest rate scenario, availability of finances and the government's initiatives of building 'Aatma-Nirbhar-Bharat', the PLI schemes, and the Record-breaking vaccination roll-out, instilled confidence in the economy the following quarters. However, in Q4 of '22 a minor slow down, due to supply chain issues, a surge in the commodity prices, and the situation in Ukraine leading to higher input costs across the industry.

The World Economy experienced a good growth, especially in areas such as technology, pharmaceuticals, and bio-sciences spaces; the up-tick in commodities, resulted in prices firming up and after the previous year's contraction of 3.10%, the global GDP experienced a 6.10% growth. This was driven essentially by the Developing Economies (China, India, parts of Asia and Latin America). Emmbi's export zones, the US, and Europe witnessed good pick-up, and this coupled with our Sales effort culminated in a record growth of Exports.

The Domestic outlook is tempered optimism given uncertainties across the globe, inflation, and consumer's hesitancy to spend; the Global outlook appears muted given the situation in Ukraine, and the spill-over effects of it across Europe. The IMF estimates the Emerging Markets and Developing economies to grow at 4.50%, and the Advanced Economies at 2.50% approximately.

Emmbi's thought process had always been that of balanced overall growth with focus on margins, rather than just volumes, and the strategic decision to have flexible manufacturing capabilities, invest in upscaling people, and creating a robust distribution network within India for Avana and across the world for all other product lines. Continual innovation helped us to build resilience in 2021, translated into stupendous growth in fiscal '22.

## 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, crossed 550 tons the turn of the decade (a CAGR of 10%). The completely man-made nature of polymers makes innovation and creation of new materials and applications limitless. The Polymer sector in India is estimated at over \$75 billion, and this is expected to exhibit near double-digit growth in the next five years. Despite being one of the world's largest economies, India lags in the consumption of polymers at just under 10kgs (World Average 30kgs).

During the period of the pandemic world has seen the immense role polymer products can play for the betterment of mankind. Responsible and sustainable polymer processing is going to be key to the future. World is now a very cautious place, and we understand and appreciate that. Emmbi has turned its Special



Baffle Liner

focus on making its manufacturing and products more sustainable and eco-friendlier with use of the theories of Circular Economy.

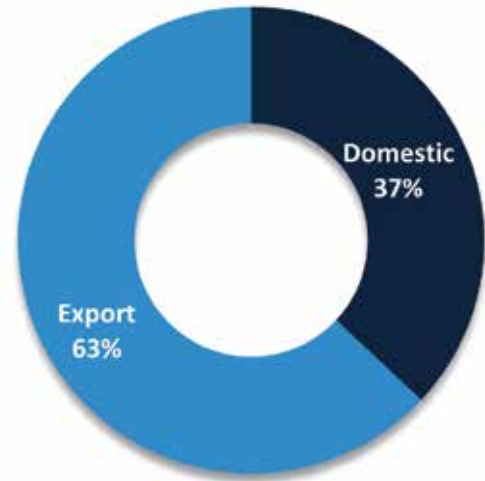
There has been a perceptible up-tick in the past two years the government’s emphasis on infrastructure, the manufacturing pick-up, and the emphasis on water conservation products, are the primary double-digit growth drivers in the medium term. Impact of post Covid-19 world is yet to be studied on this sector. As large part of polymers is part of the essential class of the supply chain in the industry we have a feeling that the impact of the Covid-19 will be substantially lower on this sector than other sectors like Aviation or Hospitality.

## Emmbi’s Industries International and Domestic Business: Product Range

We are proud to state that we have over 50 individual products that cater to a client base of over 200, spread across 70 countries .

### B2B International

Revenues from Exports stood at Rs. 3194.28 million, notably across 70 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. This translated into an impressive 73% growth year on year, and it was an optimal mix of volumes, and margins.



### B2B Domestic Business

Domestic growth also witnessed a smart 42% over the previous year and stood at Rs. 1909.42 million for fiscal ’22. We have been prudent in growing this segment, despite it providing a predictable stream of revenues, for we firmly believe that resources should be allocated to business lines or products, that helps in maximising ROCE. Moreover, this is a highly competitive segment, where the buyers are highly price elastic. This coupled with the fact that Emmbi’s manufacturing facilities are fungible, and we saw a margin driven growth in the export business, led us to focus on the International Segment.

### B2C (Avana) Consumer Durables

The agriculture sector that showed a good growth the previous year, slowed down in fiscal ’22, and despite this Emmbi’s business showed a growth of over 20%. We are now well entrenched in Maharashtra, Rajasthan, Madhya Pradesh and Karnataka. Positive forays have been made into Punjab, Haryana, Andhra Pradesh and Telangana, with the introduction of shrimp ponds.

## Consumer Goods

Revenues for fiscal '23, despite the uncertain situation in Eastern Europe, and High Commodity Prices, seem sustainable on account of the following,

1. Emmbi's innovation, track record, and distribution network makes it a first-choice provider for existing clients and serves as a referral base.
2. Increase in the Export demand of products under Advance Composites & Speciality Packaging.
3. The ability to travel and meet with clients and allowing for them to come across and visit our facilities, has further strengthened brand 'Emmbi' in their minds and hearts.
4. 'Avana' that has made a mark in few states, is expanding across Indian and introducing newer products, that have found tremendous acceptance.
5. The increased focus on hygiene, and food security augurs well for the product lines the company is present.
6. The Government's initiatives for improving farmer's incomes, and a greater thrust across rural India on Pond manufacturing.
7. The Honourable PM's impetus on creating 50,000 ponds across India over the next few years, is very positive for Emmbi. We are today the World's largest pond lining company, and given our quality, and track record we are confident of winning a share of this business.
8. An increase in the consumption of polymer products across the globe.
9. Consumption Shift both in B2C, and B2B – the increased usage of e-commerce (Avanamart) polypropylene bags, polymer syringes, polymer lined tanks, polymer mixes in highways etc.
10. Our efforts at developing sustainable packaging that has found acceptance in the UK, and very soon we plan to roll this in Europe.

## Emmbi's Manufacturing Operations: Plant Capacity and Utilisation

Plant capacity remained at 27,440 MT/ Annum, and Capex spend, was on routine maintenance. Industry 4.0 standards (IoT), and Robotic Process Automation (RPA) have increased operational efficiencies, improved product technicalities, and reduced wastage and scrap to a near zero levels.

## Inventories Management

Emmbi's strategy of managing business in a non-speculative nature, translates down to its inventory management policies. We always make it a point to match the order pipeline to the inventory levels. Procurements of raw material is simultaneous to order booking, and that way neither the fluctuations in the prices of crude, and thereby its derivatives impact the income statement or capital in an adverse manner. More-over the relationship between crude prices, and polymer prices is not entirely direct. The floor cost of polymers, irrespective of the prices of crude can be pegged around US \$ 1000-1050-1110 considering the fixed costs, and logistics. Finally, it is the many stages derivative Polypropylene that goes into our products, and the actual direct impact of crude price constitutes only under 15% of the total product component. Despite this linkage, we as a policy continue to apply effective hedge mechanisms.

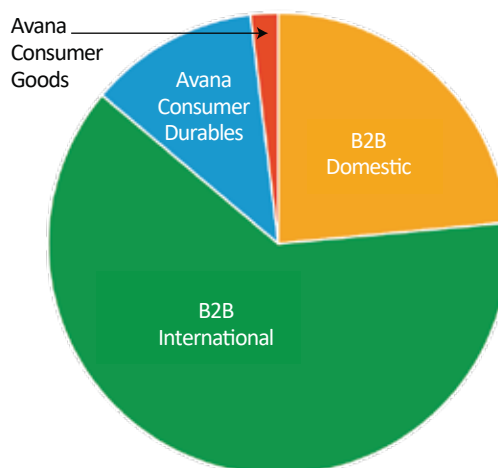
## Record Earnings

We crossed the Rs. 5 bn mark in revenues that translated into an EPS of Rs. 10.76.

## 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

## Vertical-wise breakdown



Figures as on 31<sup>st</sup> March, 2022

or internal systems. We are in the process of “Integrated Management System” (IMS) a customised combination of ISO 9001:2015 for Quality Management system ISO14001:2015 for Environmental Management System and ISO 45001:2018 for Occupational Health and Safety Management. We have also reduced waste by 50%, and we plan to become a ‘zero’ waste company over the next eight quarters.

#### 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 (Detailed in the Board’s Report).

#### Information Technology

All our plants across the nine locations are integrated, and they in-turn communicate to the head offices, and field employees through various software systems. We are one of the first to adopt Industry 4.0 standards that has led to process and operational improvements and getting translated into financial savings.

#### Research & Development

We are a full-fledged R&D Development centre, accredited by the Department of Science and Technology, the Government of India. Our R&D department is staffed with a 30-member team. As a policy we allocate ~2.50% of revenues towards, research and development of product and processes. This not only helps us getting tangible benefits like tax breaks, preferred bidder for Government projects, etc. We also get invaluable intangible benefits such as visibility in the international arena, through government initiatives.

#### Cautionary Statement

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

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

**Makrand Appalwar**

Chairman & Managing Director  
DIN: 00171950

Place: Silvassa  
Date: 16<sup>th</sup> May, 2022

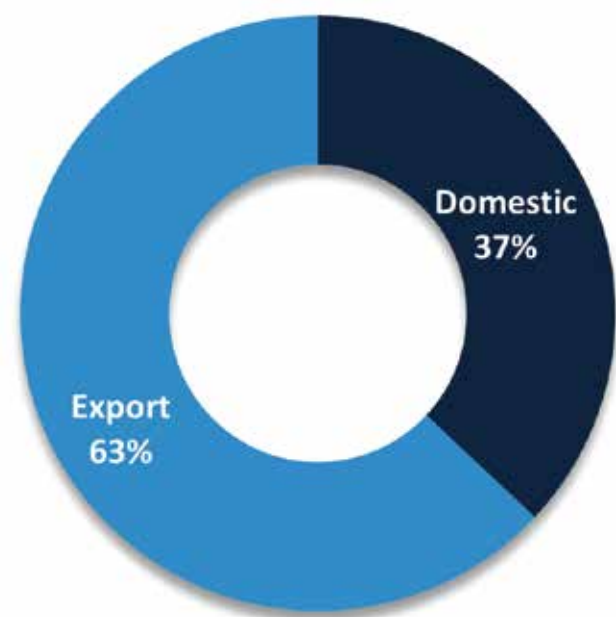
Dewatering  
Bag



## Statement of Income

### Revenue from Operations

The Company recorded the highest revenues in history by crossing the Rs. 5 bn mark and stood at Rs. 5,104 million (Rs. 3,198 million), a growth of 60%. The growth was a mixture of volume, and margins with exports crossing the magical Rs. 5 bn. The fungibility, and flexibility of the factory, and the production lines, helped to migrate with ease to cope with the demand for value added margin accreting products. These aided in vast improvements in Gross Profits, EBIDTA, and a record Net Income of Rs. 190 million (Rs. 77 million).



### Cost of Operations

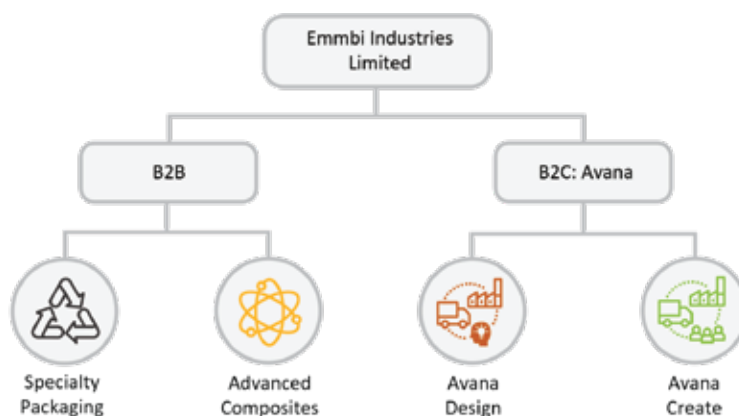
Higher capacity utilisation, and margin aided growth helped in lowering the cost of operations, and improvement to gross margins. Cost of Material consumed stood at Rs. 2,819 million (Rs. 1,801 million) and Employee Costs at Rs. 197 million (Rs. 179 million), however as a percentage of Revenues improved to 64.72% (65.72%), and 4.53% (6.53%) respectively. Constantly engaging with and improving upon production techniques including- Robotic Process Automation (RPA), Industry 4.0, and Kaizen (Project Manthan) also helped in ensuring that there were no catastrophic setbacks either financially or operationally.

### Cost of Finance

Finance costs stood at Rs. 147 million (Rs. 114 million), the improvement on account of lower finance costs, and as a percentage of revenues improved to 3.37% (4.15%). Interest coverage ratio remained a healthy 3.36x and Emmbi's ratings remain investment grade. Depreciation and amortisation expenses stood at Rs. 87 million (Rs. 72 million).

### Profits and Distribution

Emmbi Industries Limited reported a record after-tax profit of Rs. 190 million (Rs. 77 million), and the PAT margin stood at 4.37% (2.80%); this excluded any export incentives to be announced by the government. The Company's liquidity, and financial position continued to remain strong, with both un-utilised lines of credit, as well as healthy cash balances. The company declared a dividend of Re. 0.60 per share.



### Balance Sheet Items

Emmbi prides itself in growing conservatively, with minimum risks to shareholders, and its stakeholders. Such a culture always holds good in the long-run, and especially good in challenging times. It has managed its debt at a very conservative level and shown a continual growth in net-worth. The significant growth in Revenues was achieved by only a net-increase in Rs. 50 million to the long term assets, leading to better RoCE.

### Assets and Deployment

Assets for the year stood at Rs. 3,546 million (Rs. 3,285 million), the growth on account of core assets, required for business operations. Fixed assets addition pertained more towards routine maintenance and marginal capacity expansion (de-bottleneck capacity), which stood at 27,440 mtpa.

### Current Assets

Inventories at the year-end stood at Rs. 977 million (Rs. 902 million); the increase on account of both higher prices, and volumes to match the demand. The average inventories holding is normally three to four months, the primary supplier of raw materials to the industry normally shutdown their plant for maintenance in March, so as a prudent principle the company maintains higher inventories in the last quarter. The year also saw a surge in demand for exports (reflected in the performance), and this also required the company to hold larger inventories.

Receivables stood at Rs. 759 million (Rs. 638 million), on account of higher exports. The company's exports are backed by ECGC guarantees and to-date it has not resorted to seeking a repayment from the same, as the quality of receivables are at 100% collection.

The Asset conversion cycle stood at 96 days (149 days), a significant improvement by almost two months.

### Fixed Assets

The company invested very marginally in the creation of fixed assets, as the expansion plans were completed last year, and with the de-bottleneck the current capacity stands at 27,440 mtpa.

### Capital and Borrowings

The growth was financed through a mix of internal accruals, additional term borrowings, and working capital. Debt-Equity was conservative at 0.94x, and the current ratio at a healthy 1.49x.

Total net worth increased to Rs. 1,534 million (Rs. 1,352 million), whilst overall bank borrowings stood at Rs. 1,441 million (Rs. 1,364 million). In the course of the year the company repaid its obligations, as per schedule.

# Corporate Governance Report



A detailed report on compliance with the Corporate Governance provisions as prescribed under the Listing Regulations, as amended from time to time is given herein below.

## 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, 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 practices of Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of Corporate Governance as laid down in the Listing Regulations.

Emmbi Industries Limited (EIL) in its approach to adopt the best possible practices of Corporate Governance and keeping adherence to the latest rules and regulations prescribed by various regulatory authorities, has taken all the necessary steps to stay in line with the continuously progressing governance demands.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations") is given herein below.

## II. BOARD OF DIRECTORS

### i) COMPOSITION OF THE BOARD:

The composition of the Board of your Company is in conformity with the Listing Regulations. The Directors take active part at the Board and Committee Meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, policy direction, governance, compliance, etc. and play critical role on strategic issues and add value in the decision-making process of the Board of Directors. The Board's actions and decisions are aligned with the Company's best interests. The present composition of the Board has an optimum combination of personnel having the necessary knowledge and experience to direct the Company towards its business goals and at the same time, achieving high standards of Corporate Governance.

At present, the Board consists of 6 (Six) Directors, out of which 3 (Three) are Non-Executive Independent Directors and 3 (Three) are Executive Directors, including a Woman Director.

The composition of the Board of Directors of the Company, is in accordance with Listing Regulations, as amended from time to time and the Companies Act, 2013 (the Act) read with the applicable rules made thereunder as amended from time to time. The Chairman of the Board is a Non-Executive Independent Director.

Detailed profile of the Directors is also available on [www.emmbi.com](http://www.emmbi.com).

### ii) KEY SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD:

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

While all the Board members possess the skills identified, their area of core expertise is given below:

| Name of the Directors       | Designation                                  | DIN      | Area of Expertise                                                                                                                       |
|-----------------------------|----------------------------------------------|----------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Makrand M. Appalwar     | Chairman & Managing Director                 | 00171950 | Leadership, Strategic Planning, Marketing, Branding, Research & Development and Innovation, Risk Management and Corporate Governance.   |
| Mrs. Rinku M. Appalwar      | Executive Director & Chief Financial Officer | 00171976 | Leadership, Strategic Planning, Accounts, Finance, Banking, Compliance & Legal, Risk Management, Logistics, Production and Procurement. |
| Mr. Krishnan I. Subramanian | Whole time Director                          | 06614842 | Leadership, Strategic Planning, Risk Management, Private Equity and M&As.                                                               |
| Mr. Rama A. Krishnan        | Non-Executive Independent Director           | 00546256 | Leadership, Strategic Planning, Company law, Corporate Governance and Risk Management.                                                  |
| Mr. Prashant K. Lohiya      | Non-Executive Independent Director           | 02990858 | Leadership, Strategic Planning, Risk Management, Accounts, Auditing, Taxation, Finance and Management Consulting.                       |
| Dr. Venkatesh G. Joshi      | Non-Executive Independent Director           | 01234871 | Leadership, Strategic Planning, Risk Management, Medicine, Ayurveda and Medical Research.                                               |

The Board possesses the necessary skills, expertise and competencies as are required for the Company's business to function smoothly and to achieve significant growth in the industry that the Company is part of.

### iii) DISCLOSURES, MEMBERSHIPS, ATTENDANCE & OTHER DIRECTORSHIPS:

The necessary disclosures regarding Directorships, Memberships and Chairmanships in various other Boards and Committees and their respective shareholding in other companies, have been made by all the Directors. None of the Directors on the Board are Member(s) of more than ten (10) Committees and/or act as a Chairman of more than five (5) Committees across all Public Companies in which they are Directors.

Further, none of the Directors served as an Independent Director in more than seven (7) listed Companies and held Directorship in more than ten (10) public companies.

Further, the Chairman & Managing Director, Executive Director and CFO and Whole-Time Director of the Company are not serving as Independent Director on the Board of any other listed entity.

Details of Memberships and Attendance of each Director at the Board of Directors' Meetings held during the financial year under review and the last AGM and the number of other Directorships, including the names of listed entities, in which they are a Director and Chairmanship/Membership of Board Committees as on 31<sup>st</sup> March, 2022 are as follows:

| Name of the Director                       | Nature of Directorship             | Board Meetings during FY 2021-22 |          | Attendance at the AGM held on 28 <sup>th</sup> September, 2021 | No. of Directorship in other Companies (Excluding EIL) | *Chairmanship(s) and Membership(s) of Board Committees in other Companies as on 31 <sup>st</sup> March, 2022 (Excluding EIL) |          | **Directorship in other Listed Entities |             |
|--------------------------------------------|------------------------------------|----------------------------------|----------|----------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------|-----------------------------------------|-------------|
|                                            |                                    | Held                             | Attended |                                                                |                                                        | Member                                                                                                                       | Chairman | Name                                    | Category of |
| Mr. Makrand M. Appalwar (DIN-00171950)     | Chairman & Managing Director       | 4                                | 4        | Yes                                                            | 5                                                      | -                                                                                                                            | -        | -                                       | -           |
| Mrs. Rinku M. Appalwar (DIN-00171976)      | Executive Director and CFO         | 4                                | 4        | Yes                                                            | 3                                                      | -                                                                                                                            | -        | -                                       | -           |
| Mr. Krishnan I. Subramanian (DIN-06614842) | Whole Time Director                | 4                                | 4        | Yes                                                            | 3                                                      | -                                                                                                                            | -        | -                                       | -           |
| Mr. Rama A. Krishnan (DIN-00546256)        | Non-Executive Independent Director | 4                                | 4        | Yes                                                            | 1                                                      | -                                                                                                                            | -        | -                                       | -           |
| Mr. Prashant K. Lohiya (DIN-02990858)      | Non-Executive Independent Director | 4                                | 4        | Yes                                                            | 2                                                      | -                                                                                                                            | -        | -                                       | -           |
| Dr. Venkatesh G. Joshi (DIN-01234871)      | Non-Executive Independent Director | 4                                | 4        | Yes                                                            | 1                                                      | -                                                                                                                            | -        | -                                       | -           |

Notes:

\* This includes Membership(s)/Chairmanship(s) in Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies.

\*\* Number of other directorships held by Directors as mentioned above excludes directorships in Private Limited Companies, Section 8 Companies, Foreign Companies, Membership of Managing Committee of various chambers/bodies and alternate directorships.

- All the Non-Executive Directors are Independent Directors.
- The number of Directorships, Committee Membership(s)/Chairmanship(s) of all Directors is within the respective limits prescribed under the Act and the Listing Regulations.
- Mr. Makrand M. Appalwar, Chairman & Managing Director is the spouse of Mrs. Rinku M. Appalwar, Executive Director and CFO of the Company. Further, none of the other Directors of the Company have any inter-se relationship amongst them.
- None of the Directors of the Company, except the Executive Directors have any pecuniary relationship with the Company, except to the extent of receipt of sitting fees for meetings of the Board/Committee(s) attended by them.

**iv) BOARD MEETINGS:**

The Meetings of Board of Directors are scheduled well in advance and are held at least once in every quarter to inter-alia review and consider the performance of the Company and approve the Financial Results. The Board also meets, as and when required, to consider other business matters.

The agenda of the business matters to be transacted at the Board Meeting along with detailed note(s) thereto are circulated to the Board members, as per the time limits specified under the applicable acts, rules and regulations.

During the financial year 2021-22, 4 Board Meetings were held i.e. on 25<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 2<sup>nd</sup> November, 2021 and 14<sup>th</sup> February, 2022, respectively, and the gap between two consecutive meetings did not exceed one hundred and twenty days.

**v) INDEPENDENT DIRECTORS:**

The Company has appointed Independent Directors on the Board, in accordance with the provisions of Section 149 of the Act, as amended from time to time, including the applicable Rules, if any and Regulation 16 of Listing Regulations.

Every Independent Director, at the first meeting of the Board in which they participate as a Director and thereafter at the first meeting of the Board in every financial year, have given a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time. The Independent Directors are complying with the provisions relating to limit of directorships as required under Regulation 25 of the Listing Regulations. The Company issues a formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed on the website of the Company. The Independent Directors met once during the Financial Year i.e. on 14<sup>th</sup> February, 2022.

The Company has complied with the provisions with respect to the appointment and term of Independent Directors as per the Act and Listing Regulations. The Company has adopted a Code of Conduct for the Independent Directors which is a guide to professional conduct for Independent Directors, pursuant to Section 149(8) and Schedule IV of the Act which is available at the Company's website on [www.emmbi.com](http://www.emmbi.com).

**vi) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The Members of the Board of the Company are afforded many opportunities to familiarise themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

Executive Directors and Senior Management provide an overview of the operations and familiarise the new Non-Executive Directors on matters related to the Company's values and commitments. They are also introduced to the organisation structure, constitution of various committees, board procedures, risk management strategies, etc.

Strategic Presentations are made to the Board where Directors get an opportunity to interact with Senior Management. Directors are also informed of the various developments in the Company through Press Releases, emails, etc.

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 operations, Industry Outlook at the Board Meetings, Regulatory updates at Board and Audit Committee Meetings covering changes with respect to the Act, Listing Regulations, Taxation and other matters, Presentations on Internal Control over Financial Reporting, Operational Control over Financial Reporting, Prevention of Insider Trading Regulations, Framework for Related Party Transactions, Meeting with Senior Executive(s) of the Company, etc. 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 includes 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)

**DIRECTOR(S) SEEKING APPOINTMENT/ RE-APPOINTMENT**

**Retirement by Rotation**

In accordance with the provisions of the Companies Act, 2013, Mr. Krishnan I. Subramanian (DIN 06614842), Whole time Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers himself for re-appointment.

**Re-appointment of Independent Director**

Re-Appointment of Mr. Rama A. Krishnan (DIN: 00546256) as an Independent Director of the Company for a second consecutive term of 2 (Two) years.

Mr. Rama A. Krishnan (DIN: 00546256) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company upto 30<sup>th</sup> March, 2023 ("first term").

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Rama A. Krishnan as an Independent Director of the Company for a second consecutive term of two years on the Board of the Company.

The Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, had approved the re-appointment of Mr. Rama A. Krishnan as an Independent Director on 16<sup>th</sup> May, 2022 in terms of Regulations 17 of the Listing Regulations, Sections 149, 150, 152, 160, Schedule IV and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), to hold office for a second consecutive term of 2 (two) years from 31<sup>st</sup> March, 2023 to 30<sup>th</sup> March, 2025, not liable to retire by rotation, subject to the approval of the Members.

**MD/CFO CERTIFICATION**

The Chairman & Managing Director and Chief Financial Officer of the Company jointly gave annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations.

### 3. COMMITTEES OF THE BOARD:

The Committees of the Board ('Committees') plays an important role in the governance by focusing on specific areas and making informed decisions, within the delegated authority. Majority of the members constituting the Committees are Independent Directors and each Committee is guided by its Charter or Terms of Reference or Policy, which provides for the composition, scope, powers & duties and responsibilities. The recommendations, observations and decisions of the Committees are placed before the Board for information/consideration, if necessary.

The Board has constituted the following Committees:

#### A. AUDIT COMMITTEE

In requirement with Regulation 18 of Listing Regulations and Section 177 of the Act, the Company has constituted an Audit Committee. The Audit Committee reviews, acts on and reports to the Board with respect to various auditing and accounting matters. The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process.

##### Terms of Reference:

The matters falling within the ambit of the Audit Committee, are specified under Regulation 18 read with Part C of Schedule II of Listing Regulations and Section 177 of the Act, read with the Companies (Meeting of Board and its Power) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), which inter-alia include:

##### i) Powers of Audit Committee:

The Audit Committee shall have the following powers:

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

##### ii) Role of the Audit Committee:

The role of Audit Committee shall include 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization 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 auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the 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 there on;
- 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 in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the 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 utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

##### iii) Review of information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of 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;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

##### Composition of the Audit Committee and attendance in meetings during FY 2021-22:

The present composition of the Audit Committee is in accordance with the provisions of the Act and rules made thereunder and Listing Regulations. The Committee consists of 4 (Four) Directors of whom 3 (Three) are Independent Directors. The Chairperson of the Audit Committee is an Independent Director. Further, the Chairperson of the Committee attends the Annual General Meeting of the Company to answer shareholder's queries, if any.

All the Members of the Audit Committee are financially literate.

Mr. Kaushal Patvi, Company Secretary and Compliance Officer acts as the Secretary to the Audit Committee.

The representatives of the Statutory Auditors and Internal Auditors of the Company are also invited to the Audit Committee meetings for deliberation on the financial statements and internal audit findings/observations. The Committee invites any officer of the Company in the meeting, whenever required.

During FY 2021-22, 4 (Four) Audit Committee Meetings were held i.e. on 25<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 2<sup>nd</sup> November, 2021 and 14<sup>th</sup> February, 2022, respectively, and the gap between two consecutive meetings did not exceed one hundred and twenty days.

The composition of the Committee and the details of attendance of the Members at the Audit Committee Meetings are given below:

| Name of the Members of Audit Committee | Category                                     | No. of meetings held and attended during the financial year 2021-22 |
|----------------------------------------|----------------------------------------------|---------------------------------------------------------------------|
| Mr. Prashant Lohiya                    | Chairman, Non-Executive Independent Director | 4 of 4                                                              |
| Dr. Venkatesh Joshi                    | Member, Non-Executive Independent Director   | 4 of 4                                                              |
| Mr. Rama Krishnan                      | Member, Non-Executive Independent Director   | 4 of 4                                                              |
| Mrs. Rinku Appalwar                    | Member, Executive Director cum CFO           | 4 of 4                                                              |



#### B. NOMINATION & REMUNERATION COMMITTEE:

The Company has constituted a Nomination and Remuneration Committee ('NRC') in line with the provisions of Regulation 19 of Listing Regulations and Section 178 of the Act. All the members of the NRC are Independent Directors.

##### Terms of Reference:

The Nomination and Remuneration Policy has been amended over the years to align it with the requirements of applicable laws, rules and regulations. The roles, powers and broad terms of reference of NRC covers the areas as provided under Regulation 19 read with Part D of Schedule II of Listing Regulations and Section 178 of the Act, which includes the following:

- Recommend to the Board the set up and composition of the Board and its Committees including the formulation of the criteria for determining qualifications, suitable experience, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to remuneration of directors, Key Managerial Personnel and other employees. The Committee will review the composition of the Board periodically with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience, etc;
- Recommend to the Board the appointment or reappointment of Directors;
- Devise a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of directors their appointment and removal;
- Carry out/oversee evaluation of every Director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and Individual Directors. This shall include "formulation of criteria for evaluation of Independent Directors and the Board";
- Recommend to Board the remuneration payable to the Directors and oversee the remuneration of Senior Management/Key Managerial Personnel of the Company being reasonable and competitive, considering the prevalent compensation packages so as to enable the Company to recruit and retain suitable talent/staff in such capacity motivating them for rendering their quality services to carry the business affairs of the Company at its optimum level;
- Determine whether to extend or continue the term of appointment of the independent director(s), on the basis of performance evaluation report related to them;
- Take due consideration of Financial position of Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration at the time of appointment or re-appointment;
- Carry out any other functions referred by the Board from time to time and/or enforced by any statutory notification/amendment or modification as may be applicable; and
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

##### Composition of the NRC and attendance in meetings during the financial year 2021-22:

The present composition of the NRC is in accordance with the provisions of the Act, and the rules made thereunder and Listing Regulations. The NRC consists of 3 (Three) Non-Executive Independent Directors. The Chairperson of the NRC is an Independent Director.

Mr. Kaushal Patvi, Company Secretary and Compliance Officer acts as the Secretary to the NRC.

During FY 2021-22, 1(One) meeting of the NRC was held on 14<sup>th</sup> February, 2022. The composition of the Committee and the details of attendance of the Members at the NRC Meeting is given below:

| Name of the Members of Audit Committee | Category                                     | No. of meetings held and attended during the financial year 2021-22 |
|----------------------------------------|----------------------------------------------|---------------------------------------------------------------------|
| Mr. Prashant Lohiya                    | Chairman, Non-Executive Independent Director | 1 of 1                                                              |
| Dr. Venkatesh Joshi                    | Member, Non-Executive Independent Director   | 1 of 1                                                              |
| Mr. Rama Krishnan                      | Member, Non-Executive Independent Director   | 1 of 1                                                              |

##### Nomination and Remuneration Policy:

The Nomination and Remuneration policy has been formulated by the NRC considering various relevant parameters and the Board had adopted the policy for the functioning of the Committee, which was amended from time to time as per the requirements of the law.

The Nomination and Remuneration policy of the Company is available on the website of the Company at [www.emmbi.com](http://www.emmbi.com).

##### Performance evaluation of the Board:

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors. Pursuant to the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually.

Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

The performance evaluation of the non-executive directors is done by the Board annually. The performance evaluation of the Chairman & Managing Director, Executive Director & CFO and Whole Time Director is carried out by the Independent Directors annually. The Board of Directors expressed their satisfaction with the entire evaluation procedure.

#### Details of Remuneration paid to Directors during Financial Year 2021-22:

##### 1. Non-Executive Directors (including Independent Directors):

The Independent Directors have been re-appointed for fixed tenure of five years from their respective date of appointment and are not liable to retire by rotation. Their appointments have been approved by the Members of the Company, in the AGM.

The Independent Directors have no pecuniary relationship or transaction with the Company, except for payment of sitting fees, for attending the Board and the Committee Meetings.

The sitting fees paid to the Non-Executive Independent Directors during financial year 2021-22 is stated below:

| Name of the Director | Sitting fees paid for attending Board and Committee Meetings (including TDS) (Amount in Rs.) |
|----------------------|----------------------------------------------------------------------------------------------|
| Mr. Prashant Lohiya  | Rs.103,000/-                                                                                 |
| Dr. Venkatesh Joshi  | Rs.103,000/-                                                                                 |
| Mr. Rama Krishnan    | Rs.103,000/-                                                                                 |

##### 2. Terms of appointment and remuneration of Executive Directors:

The terms and conditions of appointment of, and remuneration paid to Managing Director and Executive Director and CFO, are in accordance with the terms approved by the Members of the Company. The details of Managerial Remuneration paid to the Executive Directors during financial year 2021-22 are as under:

| SR | Name of the Director    | Position                          | Remuneration         | Service Contract                                            | Notice Period |
|----|-------------------------|-----------------------------------|----------------------|-------------------------------------------------------------|---------------|
| 1  | Mr. Makrand M. Appalwar | Chairman and Managing Director    | * Rs. 78,39,600 p.a. | Reappointed for 5 years w.e.f. 30 <sup>th</sup> March, 2020 | 6 months      |
| 2  | Mrs. Rinku M. Appalwar  | Executive Director Director & CFO | * Rs. 7,239,600 p.a. | Reappointed for 5 years w.e.f. 30 <sup>th</sup> March, 2020 | 6 months      |

(\*) Break up of remuneration paid /payable to Mr. Makrand M. Appalwar and Mrs. Rinku M. Appalwar for FY 2021-22 is as under:

| Components                                | Mr. Makrand M. Appalwar | Mrs. Rinku M. Appalwar |
|-------------------------------------------|-------------------------|------------------------|
| Salaries, Allowances and Perquisites (#)  | Rs. 78,39,600           | Rs. 7,239,600          |
| Contribution to Provident and other funds | Nil                     | Nil                    |
| Performance Bonus                         | Nil                     | Nil                    |
| Stock Option                              | Nil                     | Nil                    |
| Pension                                   | Nil                     | Nil                    |
| Total                                     | Rs. 78,39,600           | Rs. 7,239,600          |

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

There is no provision for severance fees in the service contracts of the aforesaid Executive Directors.

##### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has constituted a Stakeholders' Relationship Committee ('SRC') in line with the provisions of Regulation 20 of Listing Regulations and Section 178 of the Act to specifically look into various aspects of interests of the shareholders.

Terms of Reference:

The role of the committee, shall inter-alia include the following:

- Oversee the performance of the Company's Registrar and Share Transfer Agent;
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.



- Carry out any other function as is referred by the Board from time to time and/or enforced by any statutory notification/amendment or modification as may be applicable.

#### Composition of the SRC and attendance in meetings during FY 2021-22:

The present composition of the SRC is in accordance with the provisions of the Act, and the rules made thereunder and Listing Regulations. The Committee comprises of 4 (Four) directors, which includes 3 (Three) Independent Director.

The Chairperson of the SRC is an Independent Director and attends the Annual General Meeting to answer the queries raised by the Shareholders/Security holders.

Mr. Kaushal Patvi, Company Secretary and Compliance Officer acts as the Secretary to the SRC.

During FY 2021-22, 1 (One) meeting of the SRC was held on 25<sup>th</sup> June, 2021, through video conferencing. The composition of the Committee and the details of attendance of the Members at the SRC Meeting is given below:

| Name of the Members of SRC | Category                                     | No. of meetings held and attended during the financial year 2021-22 |
|----------------------------|----------------------------------------------|---------------------------------------------------------------------|
| Mr. Prashant Lohiya        | Chairman, Non-Executive Independent Director | 1 of 1                                                              |
| Mrs. Rinku Appalwar        | Member, Executive Director cum CFO           | 1 of 1                                                              |
| Dr. Venkatesh Joshi        | Member, Non-Executive Independent Director   | 1 of 1                                                              |
| Mr. Rama Krishnan          | Member, Non-Executive Independent Director   | 1 of 1                                                              |

Type C Bag



#### Other Details:

The details of investor complaints received and redressed during the financial year 2021-22 are as follows:

| No. of complaints pending as on 1 <sup>st</sup> April, 2021 | No. of complaints received during the financial year | No. of complaints attended during the financial year | No. of complaints pending on 31 <sup>st</sup> March, 2022 |
|-------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------------|
| 0                                                           | 0                                                    | 0                                                    | 0                                                         |

#### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility ('CSR') Committee is constituted in line with the provisions of Section 135 of the Act.

The Corporate Social Responsibility Policy ('CSR Policy') was adopted by the Board of Directors for implementation of CSR objects of the Company. The CSR Policy has been placed on Company's website at [www.emmbi.com](http://www.emmbi.com).

#### Terms of Reference:

The brief terms of reference of the Committee are as under:

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy;
- Monitor the CSR projects undertaken by the Company from time to time; and,
- Ensure effective implementation of aforesaid CSR Policy.

#### Composition of the CSR Committee:

As on 31<sup>st</sup> March, 2022, the Committee consisted of 4 (Four) members, of whom 1 (One) is Executive Director and 3 (Three) Non- Executive Independent Directors.

The Chairman of the Committee is a Non-Executive Independent Director.

Mr. Kaushal Patvi, Company Secretary and Compliance Officer acts as the Secretary to the CSR Committee.

During the financial year 2021-22, 1 (One) meeting of the CSR Committee was held on 14<sup>th</sup> February, 2022.

The composition of Committee and the details of attendance of the Members at the CSR Committee Meeting are given below:

| Name of the Members of SRC | Category                                     | No. of meetings held and attended during the financial year 2021-22 |
|----------------------------|----------------------------------------------|---------------------------------------------------------------------|
| Dr. Venkatesh Joshi        | Chairman, Non-Executive Independent Director | 1 of 1                                                              |
| Mr. Prashant Lohiya        | Member, Non-Executive Independent Director   | 1 of 1                                                              |
| Mr. Rama Krishnan          | Member, Non-Executive Independent Director   | 1 of 1                                                              |
| Mrs. Rinku Appalwar        | Member, Executive Director & CFO             | 1 of 1                                                              |

Tamper Evidence Bag



## E. COMMITTEE OF DIRECTORS

The Board of Directors had constituted a Committee of Directors to handle the operational activities of the Company.

### Terms of Reference:

The Board of Directors have constituted a Committee of Directors and delegated powers to transact certain regular matters relating to the following:

- Business of the Company
- to enter into transactions relating to opening of any branch offices in any part of the country,
- making application on behalf of the Company, as and when required, with various Courts, Tribunals, Government, Quasi-Government, Municipal, Local and such other statutory authorities/bodies/ departments such as Goods and Services Tax, VAT, 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, godowns and accommodations provided by the Company to its officials,
- Signing and executing Lease Agreements,
- borrowings of fresh and enhanced credit facilities from banks, financial institutions, foreign institutional investors,
- creation and extension of charge on securities/assets of the Company on the fresh and enhanced credit facilities in favour of the lender(s),
- execution of bank related all documents, papers, deeds, requests, handling of requests for disbursements, and opening and closing of bank accounts, to borrow and to create security over its assets as per the limits prescribed under section 180 (1) (a) and section 180 (1) (c) of the Act, or any amendments thereof, and
- discharge procedural requirements for availing loans/credit facilities and such other matters as delegated to the Committee by the Board of Directors from time to time.

The composition of Committee are given below:

| Name of the Director    | Category                                     |
|-------------------------|----------------------------------------------|
| Mr. Prashant K. Lohiya  | Chairman, Non-Executive Independent Director |
| Mr. Makrand M. Appalwar | Member, Managing Director                    |
| Mrs. Rinku M. Appalwar  | Member, Executive Director and CFO           |

## 3. GENERAL BODY MEETINGS

### Annual General Meeting (AGM):

| AGM              | Financial Year ended         | Date and Time                                  | Location                                                                                                                    | Whether any special resolution was passed                                                              |
|------------------|------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| 27 <sup>th</sup> | 31 <sup>st</sup> March, 2021 | 28 <sup>th</sup> September, 2021 at 10.30 a.m. | Meeting was held through Video Conferencing / Other Audio Visual Means                                                      | Appointment of Mr. Krishnan I. Subramanian as a Wholtime Director of the Company.                      |
| 26 <sup>th</sup> | 31 <sup>st</sup> March, 2020 | 12 <sup>th</sup> September, 2020 at 10.30 a.m. | Meeting was held through Video Conferencing / Other Audio Visual Means                                                      | Re-appointment of Mr. Prashant Lohiya and Dr. Venkatesh Joshi as Independent Directors of the Company. |
| 25 <sup>th</sup> | 31 <sup>st</sup> March, 2019 | 25 <sup>th</sup> September, 2019 at 10.30 a.m. | 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa 396 230. | No Special Resolution was passed.                                                                      |

### Extra Ordinary General Meeting and Postal Ballot:

During FY 2021-22, there was no resolution passed through Extra Ordinary General Meeting and Postal Ballot. Further, as on the date of this report, there was no special resolution, proposed to be passed through Extra Ordinary General Meeting and Postal ballot.

## 4. DISCLOSURES:

### a) Related Party Transactions:

During the financial year under review, there was no materially significant related party transaction entered into by the Company with its Promoters, Directors, Key Managerial Personnel(s) or management or their relatives, etc. which had potential conflict with the interest of the Company at large.

Transactions entered into with the related parties, as per respective Accounting Standards and/or other applicable laws are disclosed in the Audited Standalone Financial Statement of the Company, forming part of this Annual Report.

All Transactions with related parties were in the ordinary course of business and at arm's length basis. The policy on dealing with related party transactions has been placed on the web link is [www.emmbi.com](http://www.emmbi.com).

### b) Compliances by the Company:

The Company has made due compliances and no penalties and strictures were imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital market during the last three years.

### c) Establishment of Whistle Blower/Vigil Mechanism Policy and access to the Chairman of the Audit Committee:

The Company has established a Vigil Mechanism and formulated a Whistle Blower Policy, pursuant to which the Director(s) and employee(s) of the Company (including their representative bodies) have access to the Chairman of the Audit Committee, in appropriate or exceptional cases, in connection with any grievance which is concerned with unethical behavior, frauds and other illegitimate activities in the Company.

### d) Compliance with the Mandatory requirements and Adoption of Non-mandatory/Discretionary requirements:

The Company has complied with all the mandatory requirements of the Listing Regulations.

### Disclosure regarding adoption of discretionary requirements as specified in Part E of Schedule II of Listing Regulations:

- The Internal Auditor reports to the Audit Committee
- For FY 2021-22, there was no audit qualifications in the Company's financial statements. The Statutory Auditors have issued the audit report of the year ended 31<sup>st</sup> March, 2022 with unmodified opinion.

**e) Material Subsidiaries:**

The Company does not have any subsidiary company as on 31<sup>st</sup> March, 2022. However, the Company has adopted a 'Policy on Material Subsidiaries' with regard to determination of Material Subsidiaries. The above policy is available on the Company's website at [www.emmbi.com](http://www.emmbi.com).

**f) Details of utilization of funds raised through preferential allotment or qualified institutions placement:**

During the financial year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under Regulation 32 (7A) of Listing Regulations, is not applicable to the Company.

**g) Management Discussion And Analysis Report:**

The Management Discussion and Analysis Report forms part of the Annual Report and includes discussion on various matters specified under Schedule V of Listing Regulations.

**h) Investor Presentations**

During the financial year 2021-2022 various investor presentations were made and the said investor presentations are available on the Company website at [www.emmbi.com](http://www.emmbi.com).

**i) Adoption of Indian Accounting Standards ("Ind AS"):**

The Company adopted Indian Accounting Standards ("Ind AS"). Accordingly, the financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Act and other relevant provisions of the Act.

**j) Risk Management:**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

**k) Certificate from Practicing Company Secretaries:**

As required under Clause 10 (i) of Part C under Schedule V of the Listing Regulations, the Company has received a certificate from M/s Sanjay Dholakia & Associates, Practicing Company Secretary, certifying that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company, by Securities and Exchange Board of India or Ministry of Corporate Affairs or such other statutory authority. The certificate forms part of this Annual Report.

**l) Remuneration of Statutory Auditor:**

Total fees of Rs. 14.50 lakhs was paid to M/s. R Daliya & Associates, Chartered Accountants, the Statutory Auditors of the Company during financial year 2021-22.

**m) Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- i. Number of complaints filed during the financial year – Nil
- ii. Number of complaints disposed of during the financial year – Nil
- iii. Number of complaints pending as on end of financial year – Nil

**n) Disclosures of the compliance with Corporate Governance requirements:**

The Company is in compliance with the requirements under Regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as amended from time to time.

**o) Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account:**

The Company does not have a Demat Suspense Account/Unclaimed Suspense Account. Further, the shares on which corporate benefits are not claimed for a period of seven consecutive years, are transferred to the IEPF Authority along with the corporate benefits accruing on the same.

**p) Compliance Reports of applicable laws:**

The Board periodically reviews Compliance Reports, pertaining to all laws applicable to the Company, received from the heads of various departments, from time to time, as well as steps taken by it to rectify instances of non-compliances, if any.

**q) Code of Conduct:**

The Company has formulated and laid down a Comprehensive Code of Conduct for the Board of Directors and Senior Management of the Company which is available at the Company's website on [www.emmbi.com](http://www.emmbi.com).

All the Board Members and Senior Management Personnel have affirmed compliance with the Code. The necessary declaration by the Managing Director as required under Regulation 34(3) read with Schedule V(D) of the Listing Regulations, regarding adherence to the Code of Conduct has been obtained for the financial year 2021-22 and forms part of this Annual Report.

**r) Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Act, with a view to regulate trading in securities of the Company by the Designated Persons.

Further, the Company has also adopted the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information under the aforesaid SEBI Regulations for preserving the confidentiality of unpublished price sensitive information and preventing misuse of such information and also ensuring timely, fair and adequate disclosure of events and occurrences that could impact price discovery in the market for the Company's securities. The same is available on the website of the Company at [www.emmbi.com](http://www.emmbi.com).

**s) Recommendations of the Committees:**

During the year under review, there were no instances where recommendations of any Committees of the Board, which are mandatorily required for approval of the Board, were not accepted by the Board.

**t) Confirmation:**

In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Act and the Listing Regulations and are independent of the management.

Further, the Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience (including the proficiency) and expertise in their respective fields and that they hold highest standards of integrity.

## 5. MEANS OF COMMUNICATION:

### Financial Results:

The financial results of the Company are generally published in widely circulated National and Local daily newspapers such as Economic Times (English and Gujarati) or the Financial Express (English and Gujarati).

The financial results of the Company are also placed on the web link [www.emmbi.com](http://www.emmbi.com).

In compliance with Regulation 46 of Listing Regulations, a separate dedicated section under the caption "Investors" on the Company's website [www.emmbi.com](http://www.emmbi.com), provides information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly/Half yearly/Nine-months and Annual financial results along with the transcripts of the conference calls and the applicable policies of the Company.

The Company's presentations made to institutional investors or to the analysts are also available on the said website.

## 6. GENERAL INFORMATION TO SHAREHOLDERS:

|                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Day, Date, Time and Venue of AGM                                                                | Tuesday, 13 <sup>th</sup> September, 2022 at 11.30 a.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")                                                                                                                                                                                                                                                              |
| Financial Year                                                                                  | 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022                                                                                                                                                                                                                                                                                                                               |
| Date of Book Closure/Record Date                                                                | Wednesday, 7 <sup>th</sup> September, 2022 to Tuesday, 13 <sup>th</sup> September, 2022 (both days inclusive)                                                                                                                                                                                                                                                                             |
| Record date for determining the entitlements of shareholders to receive dividend for FY 2021-22 | Tuesday, 6 <sup>th</sup> September, 2022                                                                                                                                                                                                                                                                                                                                                  |
| Dividend Payment Date                                                                           | On or before 12 <sup>th</sup> October, 2022                                                                                                                                                                                                                                                                                                                                               |
| Listing on Stock Exchanges and payment of Listing Fees                                          | The Company is listed on the below mentioned stock exchanges:<br>BSE Limited,<br>P.J. Towers, Dalal Street, Mumbai- 400 001<br><br>National Stock Exchange of India Ltd.,<br>Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051<br><br>Further, the Listing Fees for the financial year 2022-23, as applicable, has been paid, within the stipulated time. |
| Stock Code                                                                                      | BSE: 533161<br>NSE: EMMBI                                                                                                                                                                                                                                                                                                                                                                 |
| Registrar and Transfer Agents                                                                   | <b>Datamatics Business Solutions Limited</b><br>Plot No. B-5, Part B Crosslane, MIDC, Marol, Andheri (East), Mumbai – 400 093<br>Tel No.: +91 22 6671 2001<br>Fax No.: +91 22 6671 2191<br>Email: <a href="mailto:investorsqry@datamaticsbpm.com">investorsqry@datamaticsbpm.com</a>                                                                                                      |

Anant  
Leno  
Bag



#### i. Share Transfer System:

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities or in the cases where the documents were initially lodged for transfer before 1<sup>st</sup> April, 2019 and which was rejected due to discrepancy observed in the documents and the same being re-lodged.

Member holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in dematerialized form are effected through the depositories.

Further, the Company obtains Certificate from Practicing Company Secretaries, as per the requirement of Regulation 40 (9) of Listing Regulations (as amended) and the same is filed with the Stock Exchanges.

#### ii. Market Price Data:

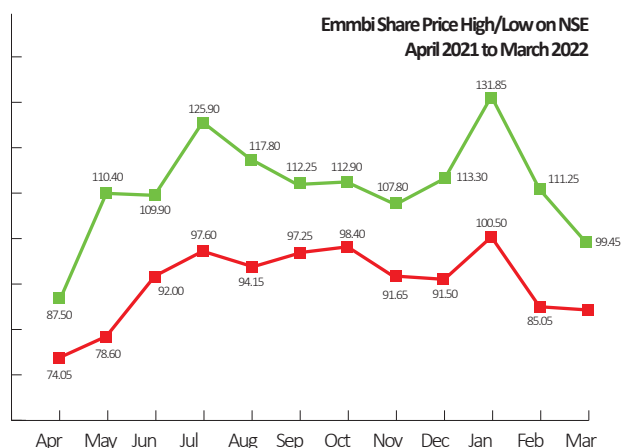
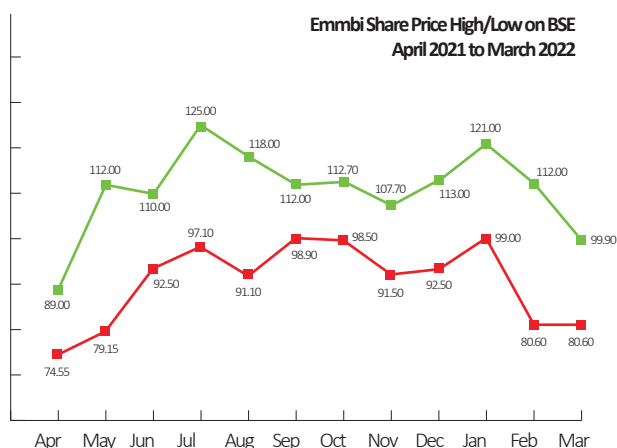
The Market Price Data (High, Low and Volumes) during each month of the Financial Year 2021-22 is as under:

| MONTH           | BSE LIMITED<br>(IN RS.) |       | NATIONAL STOCK<br>EXCHANGE OF INDIA<br>LIMITED (IN RS.) |        |
|-----------------|-------------------------|-------|---------------------------------------------------------|--------|
|                 | High                    | Low   | High                                                    | Low    |
| April, 2021     | 89.00                   | 74.55 | 87.15                                                   | 74.05  |
| May, 2021       | 112.00                  | 79.15 | 110.40                                                  | 78.60  |
| June, 2021      | 110.00                  | 92.50 | 109.90                                                  | 92.00  |
| July, 2021      | 125.00                  | 97.10 | 125.90                                                  | 97.60  |
| August, 2021    | 118.00                  | 91.10 | 117.80                                                  | 94.15  |
| September, 2021 | 112.00                  | 98.90 | 112.25                                                  | 97.25  |
| October, 2021   | 112.70                  | 98.50 | 112.90                                                  | 98.40  |
| November, 2021  | 107.70                  | 91.50 | 107.80                                                  | 91.65  |
| December, 2021  | 113.00                  | 92.50 | 113.30                                                  | 91.50  |
| January, 2022   | 121.00                  | 99.00 | 131.85                                                  | 100.50 |
| February, 2022  | 112.00                  | 80.60 | 111.25                                                  | 85.05  |
| March, 2022     | 99.90                   | 80.60 | 99.45                                                   | 85.00  |

Avana  
Tarpaulin



#### iii. Performance in comparison to Indices:



#### iv. Distribution of Shareholding:

The distribution of Shareholding as on 31<sup>st</sup> March, 2022 is as under:

| No. of Equity<br>Shares held | Shareholders |                      | Shares      |                      |
|------------------------------|--------------|----------------------|-------------|----------------------|
|                              | No.          | % of Total<br>Shares | No.         | % of Total<br>Shares |
| 1-500                        | 10,452       | 86.00                | 12,57,521   | 7.11                 |
| 501-1000                     | 843          | 6.94                 | 6,82,192    | 3.86                 |
| 1001-2000                    | 431          | 3.55                 | 6,49,395    | 3.67                 |
| 2001-3000                    | 155          | 1.28                 | 3,88,341    | 2.20                 |
| 3001-4000                    | 66           | 0.54                 | 2,39,943    | 1.36                 |
| 4001-5000                    | 46           | 0.38                 | 2,14,364    | 1.21                 |
| 5001-10000                   | 78           | 0.64                 | 5,55,029    | 3.14                 |
| 10001-50000                  | 62           | 0.51                 | 11,97,675   | 6.77                 |
| 50001 and above              | 20           | 0.17                 | 1,25,05,790 | 70.69                |
| TOTAL                        | 12,153       | 100.00               | 1,76,90,250 | 100.00               |

Aluminium  
Liner  
Bag



**v. Categories of Shareholding:**

The Categories of Shareholding as on 31<sup>st</sup> March, 2022 is as under:

| Category                                         | No. of Shares Held | % of Share Holding |
|--------------------------------------------------|--------------------|--------------------|
| <b>A. Promoter's Holding</b>                     |                    |                    |
| 1. Promoters                                     |                    |                    |
| - Indian Promoters                               | 1,03,15,217        | 58.31              |
| - Foreign Promoters                              | 00                 | 0.00               |
| 2. Person Acting In Concern                      | 00                 | 0.00               |
| Sub – Total                                      | 1,03,15,217        | 58.31              |
| <b>B. Non – Promoter's Holding</b>               |                    |                    |
| 3. Institutional Investors                       |                    |                    |
| - Mutual Funds & UTI                             | 00                 | 0.00               |
| - Banks, Financial Institutions, Insurance Cos., | 00                 | 0.00               |
| - Central/ State Govt. Inst., Non-Govt. Inst.    | 00                 | 0.00               |
| - Central/ State Govt. Inst., Non-Govt. Inst.    | 00                 | 0.00               |
| - FIs                                            | 12,67,025          | 7.16               |
| Sub – Total                                      | 12,67,025          | 7.16               |
| 4. Others                                        |                    |                    |
| - Corporate Bodies                               | 4,12,744           | 2.33               |
| - Indian Public                                  | 49,78,717          | 28.14              |
| - NRIs / OCBs / FIs                              | 6,92,529           | 3.91               |
| - Any other (Transfer to IEPF)                   | 24,018             | 0.14               |
| Sub – Total                                      | 61,08,008          | 34.53              |
| <b>Grand – Total</b>                             | <b>1,76,90,250</b> | <b>100.00</b>      |



**vi. Dematerialization of Shares:**

Equity shares of the Company representing almost 100 per cent are dematerialized as on 31<sup>st</sup> March, 2022.

Under the Depository (NSDL & CDSL) System, the shares are dematerialized and are available in the electronic segment under International Securities Identification Number (ISIN) – INE753K01015 which is allotted to the Company's shares.

The Summary of Shareholding of the Company on 31<sup>st</sup> March, 2022 is as under:

| Description  | Cases         | Shares             | %             |
|--------------|---------------|--------------------|---------------|
| Physical     | 1             | 10                 | 0.00          |
| CDSL         | 7,191         | 30,48,894          | 17.23         |
| NSDL         | 4,961         | 1,46,41,346        | 82.77         |
| <b>TOTAL</b> | <b>12,153</b> | <b>1,76,90,250</b> | <b>100.00</b> |

**vii. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on 31<sup>st</sup> March, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments, which may impact the Equity Share Capital of the Company.

**viii. Commodity price risk or foreign exchange risk and hedging activities:**

The Company has adequate Risk Assessment and Minimisation system in place including Foreign Exchange. The Foreign Exchange Risk is managed through the hedging strategy of the Company which is reviewed periodically. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same is carried out. Therefore there is no disclosure to offer in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

**ix. 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.

**x. ADDRESS FOR CORRESPONDENCE**

- Registered Office:  
99/2/1&9, Madhuban Industrial Estate,  
Madhuban Dam Road, Rakholi Village,  
U.T. of Dadra & Nagar Haveli and Daman & Diu,  
Silvassa 396230.  
Tel No.: +91 (0260) 320 0948
- Corporate Office:  
  
158, Ground Floor of the Main Building,  
Dani Corporate Park, CST Road,  
Kalina, Santacruz (East),  
Mumbai – 400 098  
Tel No.: +91 22 4672 5555  
Fax No.: +91 22 4972 5506  
Email ID for Investors: [investor.grievances@emmbi.com](mailto:investor.grievances@emmbi.com)

## Rodent Bags



For and on behalf of the Board of Directors  
EMMBI INDUSTRIES LIMITED

Makrand Appalwar  
Chairman & Managing Director  
DIN: 00171950

Date : 16<sup>th</sup> May, 2022  
Place: Silvassa

## Avana Jalasanchay Super Pond



| Sr. No. | Particulars                                                                                                                   | Regulation      | Compliance Status<br>Yes/ No/ NA | Key Compliance Observed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------|-------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | Board of Directors                                                                                                            | 17              | Yes                              | <ul style="list-style-type: none"> <li>Composition and Appointment of Directors</li> <li>Meetings and quorum</li> <li>Review of compliance reports</li> <li>Plans for orderly succession</li> <li>Code of Conduct</li> <li>Fees / compensation to Non-Executive Directors</li> <li>Minimum information to be placed before the Board</li> <li>Compliance Certificate by Chief Executive Officer and Chief Financial Officer</li> <li>Risk assessment and management</li> <li>Performance evaluation of Independent Directors</li> <li>Recommendation of Board</li> </ul> |
| 2       | Maximum Number of Directorships                                                                                               | 17A             | Yes                              | <ul style="list-style-type: none"> <li>Directorships in listed entities</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 3       | Audit Committee                                                                                                               | 18              | Yes                              | <ul style="list-style-type: none"> <li>Composition</li> <li>Meetings and quorum</li> <li>Chairperson present at Annual General Meeting</li> <li>Role of the Committee</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                         |
| 4       | Nomination and Remuneration Committee                                                                                         | 19              | Yes                              | <ul style="list-style-type: none"> <li>Composition</li> <li>Meetings and quorum</li> <li>Chairperson present at Annual General Meeting</li> <li>Role of the Committee</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                         |
| 5       | Stakeholders Relationship Committee                                                                                           | 20              | Yes                              | <ul style="list-style-type: none"> <li>Composition</li> <li>Meetings</li> <li>Chairperson present at Annual General Meeting</li> <li>Role of the Committee</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                    |
| 6       | Risk Management Committee                                                                                                     | 21              | NA                               | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 7       | Vigil Mechanism                                                                                                               | 22              | Yes                              | <ul style="list-style-type: none"> <li>Vigil Mechanism and Whistle-Blower Policy for Directors and employees</li> <li>Adequate safeguards against victimisation</li> <li>Direct access to the Chairperson of Audit Committee</li> </ul>                                                                                                                                                                                                                                                                                                                                  |
| 8       | Related party                                                                                                                 | 23              | Yes                              | <ul style="list-style-type: none"> <li>Policy on Related Party Transaction transactions and Policy on Materiality of related party transactions</li> <li>Prior approval including omnibus approval of Audit Committee for related party transactions</li> <li>Periodical review of related party transactions</li> <li>Disclosure on related party transactions</li> </ul>                                                                                                                                                                                               |
| 9       | Subsidiaries of the Company                                                                                                   | 24              | NA                               | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 10      | Secretarial Audit                                                                                                             | 24A             | Yes                              | <ul style="list-style-type: none"> <li>Annual Secretarial Compliance Report</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 11      | Obligations with respect to Independent Directors                                                                             | 25              | Yes                              | <ul style="list-style-type: none"> <li>Meetings of Independent Directors</li> <li>Cessation and appointment of Independent Directors</li> <li>Familiarisation of Independent Directors</li> <li>Declaration from Independent Director that he / she meets the criteria of independence are placed at the meeting of Board of Directors</li> </ul>                                                                                                                                                                                                                        |
| 12      | Obligations with respect to employees including Senior Management, Key Managerial Persons, Directors and Committees Promoters | 26              | Yes                              | <ul style="list-style-type: none"> <li>Memberships / Chairmanships in</li> <li>Affirmation on compliance with Code of Conduct by Directors and Senior Management</li> <li>Disclosure of shareholding by Non-Executive Directors</li> </ul>                                                                                                                                                                                                                                                                                                                               |
| 13      | Other Corporate Governance requirements                                                                                       | 27              | Yes                              | <ul style="list-style-type: none"> <li>Compliance with discretionary requirements</li> <li>Filing of quarterly, half-yearly and yearly compliance report on Corporate Governance</li> </ul>                                                                                                                                                                                                                                                                                                                                                                              |
| 14      | Website                                                                                                                       | 46(2)(b) to (i) | Yes                              | <ul style="list-style-type: none"> <li>Terms and conditions of appointment of Independent Directors</li> <li>Composition of various Committees of the Board of Directors</li> <li>Code of Conduct of Board of Directors and Senior Management Personnel</li> </ul>                                                                                                                                                                                                                                                                                                       |

- Details of establishment of Vigil Mechanism / Whistle-blower policy
- Criteria of making payments to Non-Executive Directors
- Policy on dealing with related party transactions
- Details of familiarisation programmes imparted to Independent Directors

Date : 16<sup>th</sup> May, 2022  
Place: Silvassa

For and on behalf of the Board of Directors  
EMIMBI INDUSTRIES LIMITED

Makrand Appalwar  
Chairman & Managing Director  
DIN: 00171950

Avana  
Mulching  
Paper



# 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 31<sup>st</sup> March, 2022 as stipulated in Chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the financial year ended 31<sup>st</sup> March 2022.

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

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**For SANJAY DHOLAKIA & ASSOCIATES**

**Sanjay Dholakia**  
Practising Company Secretary  
Proprietor

**Place: Mumbai**  
**Date: 16<sup>th</sup> May, 2022**  
**FCS 2655 / CP 1798**  
**UDIN: F002655D000328431**

**Fall  
Arrest  
Bag**



# Certifications and Declarations



## MD /CFO Certificate

To,  
The Board of Directors,  
Emmbi Industries Limited

We, Makrand Appalwar, Managing Director and Mrs. Rinku Appalwar, Executive Director & CFO of the Company hereby certify that:

- (A) We have reviewed the Standalone Financial Statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially 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 under review, which are fraudulent, illegal or which violates the Company's code of conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that 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 further certify that:
  - (i) there have been no significant changes in internal control over financial reporting during the year under review;
  - (ii) there have been no significant changes in accounting policies during the year under review; 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**

**Place: Silvassa**  
**Date: 16<sup>th</sup> May, 2022**

**For Emmbi Industries Limited**

**Rinku Appalwar**  
**Executive Director & CFO**  
**DIN: 00171976**

## Declaration Regarding Code of Conduct

This is to confirm that the members of Board of Directors and Senior Management Personnel including Chief Financial Officer and Company Secretary) of the Company have affirmed compliance with the Code of Conduct of Emmbi Industries Limited, as applicable to them, for the FY ended 31<sup>st</sup> March, 2022.

**Place: Silvassa**  
**Date: 16<sup>th</sup> May, 2022**

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

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Emmbi Industries Limited  
Silvassa

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Emmbi Industries Limited having CIN L17120DN1994PLC000387 and having registered office at 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U. T. of D & NH and D&D, Silvassa 396 230 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of Director                   | DIN      | Date of Appointment in the Company |
|---------|------------------------------------|----------|------------------------------------|
| 1.      | Mr. Makrand Moreswar Appalwar      | 00171950 | 29/11/1994                         |
| 2.      | Mrs. Rinku Makrand Appalwar        | 00171976 | 29/11/1994                         |
| 3.      | Mr. Rama Krishnan                  | 00546256 | 31/03/2018                         |
| 4.      | Dr. Venkatesh Ganpatrao Joshi      | 01234871 | 11/12/2010                         |
| 5.      | Mr. Prashant Kailashchandra Lohiya | 02990858 | 31/05/2010                         |
| 6.      | Mr. Subramanian Krishnan           | 06614842 | 29/05/2018                         |

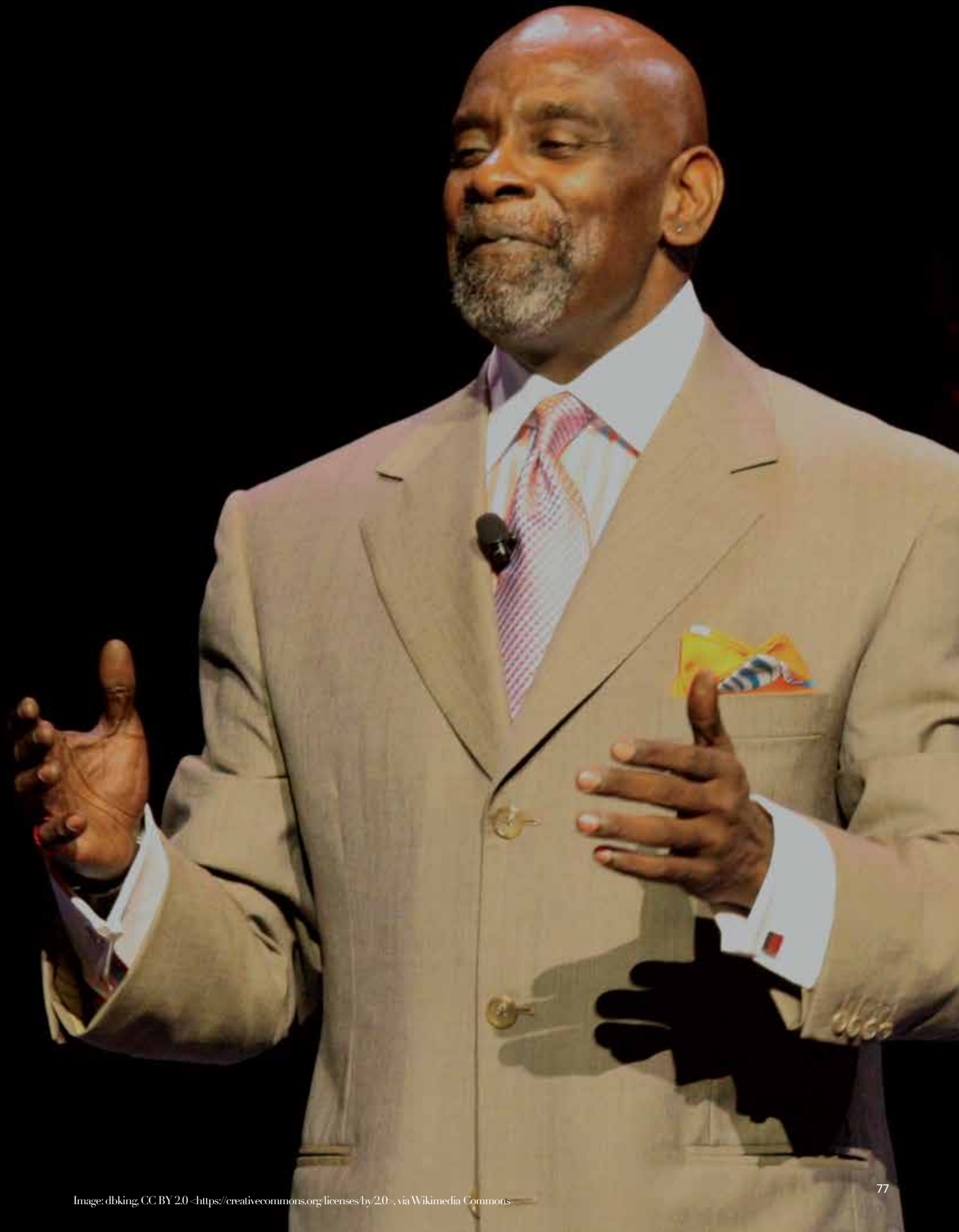
Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SANJAY DHOLAKIA & ASSOCIATES**

(SANJAY DHOLAKIA)  
Practising Company Secretary  
Proprietor  
M. No.: FCS 2655  
CP No.: 1798

Place: Mumbai  
Date: 16<sup>th</sup> May, 2022  
UDIN: F002655D000328191





# A long walk to Wall Street

Most of us would never have heard of Chris Gardner were it not for a hit Hollywood movie starring Will Smith and his son, Jaden Smith in the lead roles. But Mr Gardner's story is no Hollywood fiction. It's as inspiring as it is poignant.

Born in Milwaukee, Wisconsin, Gardner did not have many positive male role models as a child, as his father was living in Louisiana during his birth, and his stepfather. When Gardner was eight years old, he and his sisters were placed in foster care when their mother was convicted of trying to kill his stepfather by burning down the house while he was inside. While in foster care, Gardner got acquainted with his maternal uncle, Henry, who had a profound influence on him. Unfortunately, Henry drowned in the Mississippi River when Chris was nine years old. Gardner determined from his early experiences that alcoholism, domestic abuse, child abuse, illiteracy, fear, and powerlessness were all things he wanted to avoid in the future.

After serving in the Navy, Gardner became acquainted with a decorated San Francisco cardiac surgeon who offered him as a research assistant at the University of California Medical Center and Veterans Administration Hospital in San Francisco. Gardner began to dream of a career in medicine. But, with ten years of medical training ahead of him and with changes in health care just on the horizon, he realized that the profession would be vastly different by the time he could practice medicine. He abandoned his medical career. He continued to work as a research assistant a job that paid him just \$ 8,000 a year which was not enough to support his son (born in 1981), and a live-in girlfriend. Four years later, he doubled his salary by taking up a job as a medical equipment salesman.

A pivotal moment in his life occurred, when, during a sales call, he encountered an impeccably dressed man in a red Ferrari. On asking the man about his career, he told Gardner he was a stockbroker. From that moment on, Gardner's career path was decided. The stockbroker arranged for meetings with various Wall Street firms that offered a training program. Gardner made these rounds over two months, postponing or canceling his sales appointments while his car accumulated parking tickets. He finally got his break when he was accepted into the training program at E.F. Hutton. He quit his sales job, focused on his stockbroker training and a few weeks later, appeared at the office to work only to find that his manager had been fired. And, if things couldn't get worse, Gardner was sentenced to ten days in jail because he was unable to pay \$ 1,200 in parking fines. Out of jail, Gardner didn't have enough money to raise the deposit to rent an apartment. So, Mr Gardner and his son - homeless now - would instead sleep wherever they could - a the toilet at a railway station, in parks, at a church shelter; or under his desk (he had taken up a position in the broker Dean Witter Reynolds' training program). They ate in soup kitchens, and what little money he had was spent on putting his son in day nursery so he could go to work. This went on for nearly a year. In 1982, having passed his General Securities Representative Exam, Gardner became a full employee at Dean Witter Reynolds, and was eventually hired by Bear Stearns & Co.

In 1987, he formed his own firm, Gardner Rich & Co. He sold his minority stake in the firm in 2006 in a multi-million dollar deal and later, published his memoir that eventually became the hit Hollywood movie - The Pursuit of Happyness.

# Independent Auditor's Report



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

## Report on the Financial Statements

### Opinion

We have audited the accompanying financial statements of Emmbi Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matter to be the key audit matter to be communicated in our Report.

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Auditor's Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Revenue Recognition</p> <p>- The Company recognises revenue from products when performance obligations are fulfilled at the time of dispatch.</p> <p>For sale transactions in a certain period of time around the Balance Sheet date, it is essential to ensure that the control of goods have transferred to the customers. As revenue recognition is subject to management's judgement on whether the control of the goods have been transferred, we consider cut-off of revenue as a key audit matter.</p> <p>(See Note 3.4 &amp; Note 27 to the standalone financial statements)</p> | <p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"><li>- We obtained an understanding of the revenue recognition process and tested the Company's controls around the timely and accurate recording of sales transactions.</li><li>- We tested the access and change management controls of the relevant information technology system in which shipments are recorded.</li></ul> |

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds 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 financial statements 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. The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
  - h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - ii. The Company doesn't have any long term contracts including derivative contracts requiring provision for material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv.
      - a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
      - c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
    - v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For R DALIYA & ASSOCIATES**  
**Chartered Accountants**  
**(ICAI FRN: 102060W)**

**K. Daliya**  
**Partner**  
**(M No. 166874)**  
**UDIN: 22166874AJAUKG3972**

**Place : Mumbai**  
**Date : 16<sup>th</sup> May, 2022**

# Annexures to the Independent Auditor's Report

## **Annexure A**

(Referred to in Paragraph 1 (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<sup>st</sup> March, 2022 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 2022, 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.

**Place : Mumbai**  
**Date : 16<sup>th</sup> May, 2022**

**For and on behalf of**  
**R Daliya & Associates**  
**Chartered Accountants**  
**FRN : 102060W.**  
**K. Daliya**  
**Partner**  
**Membership No. :- 166874**  
**UDIN: 22166874AJAUKG3972**

#### **Annexure - B**

(Referred to in Paragraph 2 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 the property, plant and equipment on the basis of available information.
- (b) As explained to us, the property, plant and equipment 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 the property, plant and equipment 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.  
  
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.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant, and Equipment (including Right of Use Asset) and Intangible Assets during the year. Accordingly reporting under clause 3(i)(d) is not applicable to the Company;
- (e) According to the information and explanations given to us, no proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder;
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals. No material discrepancies were noticed on physical verification.
- (b) According to the information and explanations given to us and records examined by us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) As informed to us, during the year the Company has 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 39.
- (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) According to the information and explanations given to us, the company has not accepted any deposits during the year within the meaning of 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) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- (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, Custom Duty, Goods and Service Tax, Cess and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable.

- (b) There are no instances of disputed dues outstanding in respect of Income Tax, Goods and Service Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Cess and other material statutory dues in arrears as on 31<sup>st</sup> March, 2022.
- (viii) According to the information and explanations given to us, Company has no transactions which were not recorded in the books of account and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanation given to us, company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;  
 (b) According to the information and explanations given to us, the company is not declared as a wilful defaulter by any bank or financial institutions or other lender;  
 (c) According to the information and explanations given to us, the term loans have been applied by the company during the year for the purpose for which those are obtained;  
 (d) According to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes;  
 (e) In our opinion and according to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;  
 (f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) In our opinion and according to the information and explanations furnished by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly reporting under the clause 3 (x)(a) of the order is not applicable to the company.  
 (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly reporting under the clause 3 (x)(b) of the order is not applicable to the company.
- (xi) (a) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.  
 (b) According to the information and explanations provided to us, no whistle-blower complaints have been received during the year by the company;
- (xii) In our opinion and according to the information and explanations provided to us, the Company is not a Nidhi company and therefore the provisions of clause 3 (xii) of the Order are not applicable to the company.
- (xiii) According to the records of the Company examined by us and the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013, and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations provided by the managements, the company has an Internal audit system commensurate with the size and nature of the business of the company;  
 (b) We have considered the report of the Internal Auditors for the year under audit.
- (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) (a) In our opinion and according to the information and explanations given to us, the provision of section 45-IA of the Reserve Bank of India Act 1934 are not applicable to the Company;  
 (b) According to the information and explanations given by the management, the company has not conducted any Non- Banking Financial or Housing Finance activities, accordingly reporting under the clause 3(xvi)(b) is not applicable to the company;  
 (c) In our opinion and according to the information and explanations provided by the managements, the company is not Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly reporting under the clause 3(xvi)(c) is not applicable to the company;  
 (d) In our opinion and according to the information and explanations provided by the managements, the company has no Core Investment Company (CIC) as part of the group. Accordingly reporting under the clause 3(xvi)(d) is not applicable to the company;
- (xvii) In our opinion, the company has not incurred any cash losses in the financials year and not in the immediately preceding financials year.
- (xviii) There has not been any resignation of the statutory auditor during the year;
- (xix) In our opinion and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payments of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and managements plans, there is no material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date;

- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (xxi) In our opinion and according to the information and explanations provide by the management, the company do not have any subsidiary companies, associate companies or joint venture companies and the company is not required to prepare Consolidated Financial Statements as per the section 129 of the Companies Act. Accordingly reporting under the clause 3(xxi) is not applicable to the Company

**Place :- Mumbai**  
**Date : 16<sup>th</sup> May, 2022**

**For and on behalf of**  
**R Daliya & Associates**  
**Chartered Accountants**  
**FRN :. 102060W**  
**K. Daliya**  
**Partner**  
**Membership No. :- 166874**  
**UDIN: 22166874AJAUKG3972**

**Hedge  
Bag**





**Water  
Conservation**



**Speciality  
Packaging**



**emmbi**

INDUSTRIES LIMITED

**Brighter Every Way**



**Advanced  
Composites**



**Agro  
Polymers**



# Balance Sheet as at 31<sup>st</sup> March, 2022

| PARTICULARS                                                       | NOTES   | AS AT 31 <sup>ST</sup> MARCH,<br>2022 (INR MILLION) | AS AT 31 <sup>ST</sup> MARCH,<br>2021 (INR MILLION) |
|-------------------------------------------------------------------|---------|-----------------------------------------------------|-----------------------------------------------------|
| <b>A ASSETS</b>                                                   |         |                                                     |                                                     |
| <b>1.Non-Current Assets</b>                                       |         |                                                     |                                                     |
| (a) Property, Plant & Equipment                                   | 5       | 1,369.49                                            | 1,241.85                                            |
| (b) Capital Work In Progress                                      | 5       | -                                                   | 38.73                                               |
| (c) Intangible Assets                                             | 5       | 149.72                                              | 129.82                                              |
| (d) Financial Assets                                              |         |                                                     |                                                     |
| a) Investments                                                    | 6       | 0.23                                                | 0.23                                                |
| b) Loans                                                          | 7       | 1.03                                                | 1.02                                                |
| c) Other Financial Assets                                         | 8       | 18.14                                               | 12.41                                               |
| Deferred tax Asset- MAT Credit Entitlement                        | 9       | -                                                   | 21.09                                               |
| Income Tax Asset                                                  | 10      | 101.88                                              | 146.54                                              |
| Other Non-Current Assets                                          | 11      | 1.84                                                | -                                                   |
| Sub Total- Non Current Assets                                     |         | 1,642.32                                            | 1,591.69                                            |
| <b>2. Current Assets</b>                                          |         |                                                     |                                                     |
| Inventories                                                       | 12      | 976.95                                              | 902.25                                              |
| Financial Assets                                                  |         |                                                     |                                                     |
| (a) Trade receivables                                             | 13      | 759.35                                              | 638.10                                              |
| (b) Cash & Cash Equivalent                                        | 14      | 9.56                                                | 9.21                                                |
| (c) Bank balances other than b) above                             | 15      | 0.34                                                | 6.03                                                |
| Other Current Assets                                              | 16      | 157.52                                              | 137.58                                              |
| Sub Total- Current Assets                                         |         | 1,903.72                                            | 1,693.16                                            |
| <b>TOTAL ASSETS</b>                                               |         | <b>3,546.04</b>                                     | <b>3,284.85</b>                                     |
| <b>B EQUITY AND LIABILITIES</b>                                   |         |                                                     |                                                     |
| <b>1. Equity</b>                                                  |         |                                                     |                                                     |
| (a) Equity Share Capital                                          | 17      | 176.90                                              | 176.90                                              |
| (b) Other Equity                                                  | 18      | 1,357.09                                            | 1,174.71                                            |
| Sub Total- Share Holders' Fund                                    |         | 1,534.00                                            | 1,351.61                                            |
| <b>2. Non-Current Liabilities</b>                                 |         |                                                     |                                                     |
| Financial Liabilities                                             |         |                                                     |                                                     |
| (a) Borrowings                                                    | 19      | 500.88                                              | 560.18                                              |
| Other Non Current Liabilities                                     |         | -                                                   | -                                                   |
| Employee Benefit Provisions                                       | 20      | 13.98                                               | 13.14                                               |
| Deferred Tax Liabilities                                          | 21      | 115.70                                              | 100.77                                              |
| Liabilities for Income Tax                                        | 22      | 106.42                                              | 166.78                                              |
| Sub Total- Non Current Liabilities                                |         | 736.98                                              | 840.87                                              |
| <b>3. Current Liabilities</b>                                     |         |                                                     |                                                     |
| Financial Liabilities                                             |         |                                                     |                                                     |
| (a) Borrowings                                                    | 23      | 940.09                                              | 803.99                                              |
| (b) Trade Payables                                                |         |                                                     |                                                     |
| (i) Dues to Micro Enterprises and Small Enterprises (MESE)        | 24      | -                                                   | -                                                   |
| (ii) Payables other than MESE                                     | 24      | 313.23                                              | 259.29                                              |
| (c) Other Financial Liabilities                                   | 25      | 21.75                                               | 29.08                                               |
| Provisions                                                        |         | -                                                   | -                                                   |
| Sub Total- Current Liabilities                                    |         | 1,275.07                                            | 1,092.37                                            |
| <b>TOTAL LIABILITIES</b>                                          |         | <b>3,546.04</b>                                     | <b>3,284.85</b>                                     |
| Significant Accounting Policies and Notes on Financial Statements | 1 to 43 |                                                     |                                                     |

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

K. Daliya (Partner)  
Membership No. 166874  
Place : Silvassa  
Date : 16<sup>th</sup> May, 2022

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<sup>st</sup> March, 2022

| PARTICULARS                                                       | NOTES   | AS AT 31 <sup>ST</sup> MARCH,<br>2022 (INR MILLION) | AS AT 31 <sup>ST</sup> MARCH,<br>2021 (INR MILLION) |
|-------------------------------------------------------------------|---------|-----------------------------------------------------|-----------------------------------------------------|
| <b>INCOME</b>                                                     |         |                                                     |                                                     |
| Revenue from Operations                                           | 27      | 5,103.69                                            | 3,198.39                                            |
| Less : GST recovered                                              |         | 747.48                                              | 458.50                                              |
| Revenue from Operations (Net)                                     |         | 4,356.22                                            | 2,739.89                                            |
| Other Income                                                      | 28      | 1.05                                                | 1.93                                                |
| <b>Total Income (I)</b>                                           |         | <b>4,357.26</b>                                     | <b>2,741.82</b>                                     |
| <b>EXPENDITURE</b>                                                |         |                                                     |                                                     |
| Cost of Materials Consumed                                        | 29      | 2,819.14                                            | 1,800.79                                            |
| Changes in Inventories of Finished Goods and Stock-in-Process     | 30      | (51.93)                                             | (79.64)                                             |
| Employees Benefits Expense                                        | 31      | 197.35                                              | 179.01                                              |
| Finance Costs                                                     | 32      | 146.62                                              | 113.61                                              |
| Depreciation and Amortization Expense                             | 33      | 87.38                                               | 72.49                                               |
| Other Expenses                                                    | 34      | 900.62                                              | 555.23                                              |
| <b>Total Expenses (II)</b>                                        |         | <b>4,099.18</b>                                     | <b>2,641.49</b>                                     |
| <b>Profit before Tax</b>                                          |         | <b>258.08</b>                                       | <b>100.33</b>                                       |
| Tax Expenses                                                      |         |                                                     |                                                     |
| (1) Current Tax                                                   |         | 50.01                                               | 16.05                                               |
| (2) Tax for earlier years                                         |         | 2.81                                                | (0.00)                                              |
| (3) Deferred Tax Liability                                        |         | 14.93                                               | 7.54                                                |
| <b>Profit for the Period</b>                                      |         | <b>190.33</b>                                       | <b>76.74</b>                                        |
| Other Comprehensive Income                                        |         |                                                     |                                                     |
| Items that will not be reclassified to Profit or Loss             |         |                                                     |                                                     |
| Remeasurement of Defined Benefit Plans                            |         | (0.94)                                              | (1.78)                                              |
| Income Tax                                                        |         | -                                                   | -                                                   |
| <b>Total Comprehensive Income</b>                                 |         | <b>189.39</b>                                       | <b>74.97</b>                                        |
| <b>Earning Per Equity Share (RUPEES)</b>                          |         |                                                     |                                                     |
| (1) Basic (of Rs 10/- each)                                       | 35      | 10.76                                               | 4.34                                                |
| (2) Diluted (of Rs 10/- each)                                     | 35      | 10.76                                               | 4.34                                                |
| Significant Accounting Policies and Notes on Financial Statements | 1 to 43 |                                                     |                                                     |

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

K. Daliya (Partner)  
Membership No. 166874  
Place : Silvassa  
Date : 16<sup>th</sup> May, 2022

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 31<sup>st</sup> March, 2022

| A. SHARE CAPITAL                                                | NOTES | NO OF SHARES | INR MILLION |
|-----------------------------------------------------------------|-------|--------------|-------------|
| Equity shares of Rs. 10 each issued, subscribed and fully paid: |       |              |             |
| Balance as on March 31, 2021                                    | 17    | 17.69        | 176.90      |
| Balance as on March 31, 2022                                    | 17    | 17.69        | 176.90      |

| B. OTHER EQUITY PARTICULARS                                                    | SECURITIES PREMIUM ACCOUNT | RETAINED EARNINGS | TOTAL           |
|--------------------------------------------------------------------------------|----------------------------|-------------------|-----------------|
| <b>Balance on April 1, 2020</b>                                                | <b>272.65</b>              | <b>834.17</b>     | <b>1,106.81</b> |
| Profits for the year 2020-21                                                   | -                          | 76.74             | 76.74           |
| Dividend paid for FY 2019-20                                                   | -                          | (6.56)            | (6.56)          |
| Dividend Distribution Tax on above / TDS on dividend                           | -                          | (0.52)            | (0.52)          |
| Other Comprehensive Income / (Loss) for the year                               | -                          | (1.78)            | (1.78)          |
| <b>Balance at the end of the reporting period March 31, 2021 as per Ind AS</b> | <b>272.65</b>              | <b>902.06</b>     | <b>1,174.71</b> |
| Profits for the year 2021-22                                                   | -                          | 190.33            | 190.33          |
| Dividend paid for FY 2020-21                                                   | -                          | (6.44)            | (6.44)          |
| Dividend Distribution Tax on above / TDS on Dividend                           | -                          | (0.64)            | (0.64)          |
| Other Comprehensive Income / (Loss) for the year                               | -                          | (0.94)            | (0.94)          |
| Add/Less: Other Adjustments                                                    | -                          | 0.08              | 0.08            |
| <b>Balance at the end of the reporting period March 31, 2022 as per Ind AS</b> | <b>272.65</b>              | <b>1,084.45</b>   | <b>1,357.09</b> |

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

K. Daliya (Partner)  
Membership No. 166874  
Place : Silvassa  
Date : 16<sup>th</sup> May, 2022

Kaushal Patvi  
(Company Secretary)

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

Makrand Appalwar  
(Managing Director)

Rinku Appalwar  
(CFO & Director)



# Cash Flow Statement for the year ended 31<sup>st</sup> March, 2022

| PARTICULARS                                                             | 2021-22     |                 | 2020-21     |                 |
|-------------------------------------------------------------------------|-------------|-----------------|-------------|-----------------|
|                                                                         | INR MILLION | INR MILLION     | INR MILLION | INR MILLION     |
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>                          |             |                 |             |                 |
| Net Profit Before Tax                                                   |             | 258.08          |             | 100.33          |
| Depreciation & Amortisation                                             | 87.38       |                 | 72.49       |                 |
| Finance Cost                                                            | 146.62      |                 | 113.61      |                 |
| Sundry Balances Written off                                             | -           |                 | 1.03        |                 |
| Provision For Gratuity                                                  | (0.10)      |                 | (1.43)      |                 |
| Interest Received on Bank FD                                            | (0.80)      |                 | (1.30)      |                 |
| Dividend Received                                                       | (0.01)      |                 | (0.00)      |                 |
| Rent received                                                           | (0.24)      |                 | -           |                 |
| Interest on Income Tax                                                  | 0.25        |                 | -           |                 |
| Profit/Loss on Sale of Asset                                            | 0.14        |                 | -           |                 |
|                                                                         |             | 233.24          |             | 184.39          |
| <b>Operating Profit Before Working Capital Changes</b>                  |             | <b>491.33</b>   |             | <b>284.72</b>   |
| Adjustments for Working Capital Changes:                                |             |                 |             |                 |
| Trade Payables and Other Current Liabilities                            | 26.66       |                 | 1.79        |                 |
| Inventories                                                             | (74.70)     |                 | (115.46)    |                 |
| Trade Receivables                                                       | (121.18)    |                 | (119.02)    |                 |
|                                                                         |             | (169.22)        |             | (232.69)        |
| <b>CASH FLOW FROM OPERATIONS</b>                                        |             | <b>322.11</b>   |             | <b>52.03</b>    |
| Taxes Paid (Net)                                                        |             | (47.69)         |             | (16.27)         |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>                      |             | <b>274.42</b>   |             | <b>35.76</b>    |
| <b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>                          |             |                 |             |                 |
| Purchase of Fixed Assets and additions in CWIP                          | (197.53)    |                 | (165.08)    |                 |
| Investment in LLP                                                       | -           |                 | -           |                 |
| Sale on Fixed Asset                                                     | 1.20        |                 | -           |                 |
| Movement in Loans and Advances                                          | (7.65)      |                 | (2.92)      |                 |
| Purchase of Term Deposits                                               | 5.76        |                 | 13.05       |                 |
| Interest Received on Bank FD                                            | 0.80        |                 | 1.30        |                 |
| Dividend Received                                                       | 0.01        |                 | 0.00        |                 |
| Rent received                                                           | 0.24        |                 | -           |                 |
| <b>NET CASH (USED IN) INVESTING ACTIVITIES (B)</b>                      |             | <b>(197.16)</b> |             | <b>(153.65)</b> |
| <b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>                          |             |                 |             |                 |
| Proceeds / (Repayment) from Long Term Borrowing                         | (59.30)     |                 | 201.26      |                 |
| (Increase)/decrease in Working Capital Borrowings                       | 136.10      |                 | 27.75       |                 |
| (Loan)/ Repayment to Subsidiary & LLP                                   | (0.00)      |                 | 0.05        |                 |
| Interest paid on Loan                                                   | (146.62)    |                 | (113.61)    |                 |
| Dividend Paid (Including Dividend Distribution tax)/<br>TDS on Dividend | (7.08)      |                 | (7.08)      |                 |
| <b>NET CASH FLOW USED IN FINANCING ACTIVITIES(C)</b>                    |             | <b>(76.90)</b>  |             | <b>108.36</b>   |
| <b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>   |             | <b>0.35</b>     |             | <b>(9.53)</b>   |
| Cash & Cash Equivalent at the beginning of the Year                     |             | 9.21            |             | 18.74           |
| Cash & Cash Equivalent at the end of the Year                           |             | 9.56            |             | 9.21            |

1. This Statement is prepared as per Ind AS-7 (Indirect Method)  
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 : Silvassa  
Date : 16<sup>th</sup> May, 2022

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 31<sup>st</sup> March , 2022

## 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, UT of Dadra & Nagar Haveli and Daman & Diu, India. The Company has its primary listings on the BSE Limited and National Stock Exchange (India) Limited. The financials were authorized for issuance by the company's Board of Directors and Audit Committee on May 16<sup>th</sup>, 2022.

The principal activities of the Company comprises of Manufacturing 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, 2022 have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

### 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 rupees has been rounded to the nearest million of rupees 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 if 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, if any.
- 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 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                         | Net realisable value or cost of materials plus cost of conversion and other costs incurred in bringing them to the present location and condition, whichever is lower |
| III) Consumable Spares                                          | Cost or net realisable value, whichever is lower.                                                                                                                     |

### 3.4 Revenue from contracts with customers

The Company derives revenues primarily from sale of HDPE & PP- Woven Polymer Based Products.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Sale of goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch.

Sales have been recorded net of rebates and trade discounts but are grossed up for Goods and Services Tax collected thereon.

### 3.5 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, gratuity, etc. is recognised in the period in which the employee renders the related service.



# Unbreakable

**M**agnificent Mary is the moniker that's stuck to the darling of Indian sports, M C Mary Kom. The only Indian boxer to have qualified for the 2021 Summer Olympics, Mary Kom's story is one of grit, determination and resilience. No surprise then, that in 2018, the government of Manipur conferred on her, the title of "Meethoi Leima" which loosely translates to, "Great or Exceptional Lady."

Mary was born to a humble household. Born in Kagathei village in Manipur to tenant farmers, Mary grew up largely helping her parents in farm-related chores. Perhaps, she took a keen interest in boxing because her father was a keen wrestler in his younger days. But her real interest in the sport was piqued in class 8. Dingko Singh, a fellow Manipuri, had just returned from the Bangkok Asian Games, having won a gold. Mary was hooked.

The journey was anything but easy and Mary's boxing journey was also the beginning of her many challenges. Mary struggled with poverty from an early age. Being tenant farmers meant a very limited income, and that in turn, meant that even something like following the diet required of a boxer was a challenge.

But her diet was only one of her many challenges along the way. Kom's father, a former boxer and wrestler himself, initially wasn't too keen for her to pursue the sport. He worried that she might injure herself, and boxing was still seen as a predominantly male sport. Moreover, he thought that any injuries to Mary's face might spoil her chances of marriage.

And so, Mary kept her keen interest in boxing from her parents, training in secret, and working overtime to balance her household duties with her boxing. It was only in 2000, when her picture appeared in the newspapers announcing her winning the state championship, did her father get to know that Mary was in fact, a young boxer with a lot of promise. Between 2000 and 2005, she went on to win five national championships. Mary was truly on a roll now.

All that changed once again in 2005, when she got married and decided to take a break from boxing, opting to tend to her family instead. After having her first child, Mary returned to boxing and once again, proved her mettle by winning a silver at the 2008 Asian Women's Boxing Championship, her fourth consecutive gold at the AIBA Women's Boxing Championships and a gold in the 2009 Asian Indoor Games.

Her 2012 Olympics outing is also a testament to her grit and determination. Mary, who had earlier fought in the 46 and 48 kg categories, shifted to a heavier weight class after the world body decided to allow only three weight categories in women's boxing. Her coach couldn't join her at the Olympic Village since he did not have the 3-star rating that was mandatory. She had all her luggage and her passport stolen on her way to the selection camp in Bangkok. Mary fought hard, losing in the semi final, but still assuring India of a bronze medal in boxing.

It was India's first medal in women's boxing at the Olympics

## 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.

## 3.6 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.

## 3.7 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.

## 3.8 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.

## 3.9 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 foreign company and LLP, are measured at fair value through profit and loss as per Ind AS 109.

### 3.10 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 ECL 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.

### 3.11 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 require 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.

### 3.12 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.

### 3.13 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the

carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

#### **Company as a lessor**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue to allocate the consideration in the contract.

#### **4.1 Changes in accounting policies and disclosures**

##### **New and amended standards**

There were no new standards that impacted the financial statements of the Company and no changes to the Company's accounting policies.

##### **4.2 Standards issued but not yet effective up to the date of Financial Statements Standards issued but not yet effective:**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

##### **Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

##### **Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

##### **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

##### **Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies the treatment of any cost or fees incurred by an entity in the process of recognition of financial liability in case of repurchase of the debt instrument by the issuer. The Company does not expect the amendment to have any significant impact in its financial statements.

##### **Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

**Note 5 PROPERTY, PLANT AND EQUIPMENT**  
**For the year ended 31<sup>st</sup> March, 2022**

INR MILLION

| Sr. No.    | PARTICULARS                                           | GROSS BLOCK     |               |                |                       |                 | DEPRECIATION/AMORTIZATION |              |           |                       |                | NET BLOCK       |                 |
|------------|-------------------------------------------------------|-----------------|---------------|----------------|-----------------------|-----------------|---------------------------|--------------|-----------|-----------------------|----------------|-----------------|-----------------|
|            |                                                       | As at 01-04-21  | Addns         | Transfers      | Adjustmnts/ Disposals | As at 31-03-22  | As at 01-04-21            | For the yr   | Transfers | Adjustmnts/ Disposals | As at 31-03-22 | As at 31-03-22  | As at 31-03-21  |
| <b>5.A</b> | <b>TANGIBLE FIXED ASSETS</b>                          |                 |               |                |                       |                 |                           |              |           |                       |                |                 |                 |
| 1          | Land                                                  | 33.46           | -             | -              | -                     | 33.46           | -                         | -            | -         | -                     | -              | 33.46           | 33.46           |
| 2          | Building                                              | 572.06          | 10.25         | 7.19           | -                     | 589.50          | 86.29                     | 18.34        | -         | -                     | 104.63         | 484.87          | 485.77          |
| 3          | Compound Wall                                         | 0.26            | -             | -              | -                     | 0.26            | 0.21                      | 0.01         | -         | -                     | 0.21           | 0.05            | 0.06            |
| 4          | Plant and Machinery                                   | 750.81          | 75.14         | 36.82          | -                     | 862.76          | 226.42                    | 31.63        | -         | -                     | 258.05         | 604.72          | 524.39          |
| 5          | Electrical Installation                               | 17.04           | 1.09          | -              | -                     | 18.13           | 6.79                      | 0.65         | -         | -                     | 7.44           | 10.68           | 10.24           |
| 6          | Furniture & Fixtures                                  | 35.88           | 39.08         | -              | -                     | 74.96           | 22.05                     | 4.62         | -         | -                     | 26.67          | 48.28           | 13.82           |
| 7          | Crates                                                | 0.71            | -             | -              | -                     | 0.71            | 0.70                      | -            | -         | -                     | 0.70           | 0.01            | 0.01            |
| 8          | Office Equipment                                      | 42.94           | 9.80          | -              | -                     | 52.73           | 21.13                     | 3.48         | -         | -                     | 24.60          | 28.13           | 21.81           |
| 9          | Other Equipment                                       | 0.01            | 0.00          | -              | -                     | 0.01            | 0.01                      | 0.00         | -         | -                     | 0.01           | 0.00            | 0.00            |
| 10         | Vehicles                                              | 32.94           | 7.13          | -              | (4.94)                | 35.14           | 20.78                     | 2.50         | -         | (3.60)                | 19.68          | 15.46           | 12.16           |
| 11         | Plant and Machinery (R & D Equipment and Pilot Plant) | 168.63          | 10.16         | -              | -                     | 178.79          | 28.77                     | 6.44         | -         | -                     | 35.21          | 143.58          | 139.87          |
| 12         | Computer ( for R & D)                                 | 1.02            | -             | -              | -                     | 1.02            | 0.75                      | 0.01         | -         | -                     | 0.76           | 0.26            | 0.27            |
|            | <b>(A)</b>                                            | <b>1,655.76</b> | <b>152.65</b> | <b>44.00</b>   | <b>(4.94)</b>         | <b>1,847.47</b> | <b>413.90</b>             | <b>67.67</b> | <b>-</b>  | <b>(3.60)</b>         | <b>477.98</b>  | <b>1,369.49</b> | <b>1,241.85</b> |
| <b>5.B</b> | <b>INTANGIBLE FIXED ASSETS</b>                        |                 |               |                |                       |                 |                           |              |           |                       |                |                 |                 |
|            | Acquired Brand & Knowledge Development Cost           | 190.54          | 39.60         | -              | -                     | 230.15          | 60.72                     | 19.70        | -         | -                     | 80.43          | 149.72          | 129.82          |
|            | <b>(B)</b>                                            | <b>190.54</b>   | <b>39.60</b>  | <b>-</b>       | <b>-</b>              | <b>230.15</b>   | <b>60.72</b>              | <b>19.70</b> | <b>-</b>  | <b>-</b>              | <b>80.43</b>   | <b>149.72</b>   | <b>129.82</b>   |
| <b>5.C</b> | <b>CAPITAL WIP</b>                                    |                 |               |                |                       |                 |                           |              |           |                       |                |                 |                 |
|            | Building                                              | 6.42            | 0.77          | (7.19)         | -                     | -               | -                         | -            | -         | -                     | -              | -               | 6.42            |
|            | Plant & Machinery                                     | 32.31           | 4.50          | (36.82)        | -                     | -               | -                         | -            | -         | -                     | -              | -               | 32.31           |
|            | <b>(C)</b>                                            | <b>38.73</b>    | <b>5.28</b>   | <b>(44.00)</b> | <b>-</b>              | <b>-</b>        | <b>-</b>                  | <b>-</b>     | <b>-</b>  | <b>-</b>              | <b>-</b>       | <b>-</b>        | <b>38.73</b>    |
|            | <b>TOTAL (A+B+C)</b>                                  | <b>1,885.03</b> | <b>197.53</b> | <b>-</b>       | <b>(4.94)</b>         | <b>2,077.62</b> | <b>474.63</b>             | <b>87.38</b> | <b>-</b>  | <b>(3.60)</b>         | <b>558.40</b>  | <b>1,519.22</b> | <b>1,410.40</b> |

Ageing of Intangible assets under development is as follows :

|                      | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total    |
|----------------------|------------------|-----------|-----------|-------------------|----------|
| Projects in Progress | -                | -         | -         | -                 | -        |
| <b>Total</b>         | <b>-</b>         | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>-</b> |

**Note 5 PROPERTY, PLANT AND EQUIPMENT**  
**For the year ended 31<sup>st</sup> March, 2021**

INR MILLION

| Sr. No.    | PARTICULARS                                           | GROSS BLOCK     |               |                |                       |                 | DEPRECIATION/AMORTIZATION |              |           |                       |                | NET BLOCK       |                 |
|------------|-------------------------------------------------------|-----------------|---------------|----------------|-----------------------|-----------------|---------------------------|--------------|-----------|-----------------------|----------------|-----------------|-----------------|
|            |                                                       | As at 01-04-20  | Addns         | Transfers      | Adjustmnts/ Disposals | As at 31-03-21  | As at 01-04-20            | For the yr   | Transfers | Adjustmnts/ Disposals | As at 31-03-21 | As at 31-03-21  | As at 31-03-20  |
| <b>5.A</b> | <b>TANGIBLE FIXED ASSETS</b>                          |                 |               |                |                       |                 |                           |              |           |                       |                |                 |                 |
| 1          | Land                                                  | 33.46           | -             | -              | -                     | 33.46           | -                         | -            | -         | -                     | -              | 33.46           | 33.46           |
| 2          | Building                                              | 496.90          | 13.78         | 61.38          | -                     | 572.06          | 74.05                     | 12.24        | -         | -                     | 86.29          | 485.77          | 422.85          |
| 3          | Compound Wall                                         | 0.26            | -             | -              | -                     | 0.26            | 0.20                      | 0.01         | -         | -                     | 0.21           | 0.06            | 0.07            |
| 4          | Plant and Machinery                                   | 693.48          | 57.33         | -              | -                     | 750.81          | 198.34                    | 28.08        | -         | -                     | 226.42         | 524.39          | 495.14          |
| 5          | Electrical Installation                               | 17.04           | -             | -              | -                     | 17.04           | 6.14                      | 0.66         | -         | -                     | 6.79           | 10.24           | 10.90           |
| 6          | Furniture & Fixtures                                  | 34.82           | 1.05          | -              | -                     | 35.88           | 19.08                     | 2.98         | -         | -                     | 22.05          | 13.82           | 15.75           |
| 7          | Crates                                                | 0.71            | -             | -              | -                     | 0.71            | 0.67                      | 0.04         | -         | -                     | 0.70           | 0.01            | 0.04            |
| 8          | Office Equipment                                      | 36.88           | 6.06          | -              | -                     | 42.94           | 17.91                     | 3.22         | -         | -                     | 21.13          | 21.81           | 18.97           |
| 9          | Other Equipment                                       | 0.01            | -             | -              | -                     | 0.01            | 0.01                      | -            | -         | -                     | 0.01           | 0.00            | 0.00            |
| 10         | Vehicles                                              | 30.47           | 2.47          | -              | -                     | 32.94           | 17.87                     | 2.91         | -         | -                     | 20.78          | 12.16           | 12.60           |
| 11         | Plant and Machinery (R & D Equipment and Pilot Plant) | 162.16          | 6.48          | -              | -                     | 168.63          | 22.48                     | 6.29         | -         | -                     | 28.77          | 139.87          | 139.68          |
| 12         | Computer ( for R & D)                                 | 1.02            | -             | -              | -                     | 1.02            | 0.72                      | 0.03         | -         | -                     | 0.75           | 0.27            | 0.29            |
|            | <b>(A)</b>                                            | <b>1,507.21</b> | <b>87.17</b>  | <b>61.38</b>   | <b>-</b>              | <b>1,655.76</b> | <b>357.46</b>             | <b>56.44</b> | <b>-</b>  | <b>-</b>              | <b>413.90</b>  | <b>1,241.85</b> | <b>1,149.75</b> |
| <b>5.B</b> | <b>INTANGIBLE FIXED ASSETS</b>                        |                 |               |                |                       |                 |                           |              |           |                       |                |                 |                 |
|            | Acquired Brand & Knowledge Development Cost           | 151.36          | 39.19         | -              | -                     | 190.54          | 44.68                     | 16.04        | -         | -                     | 60.72          | 129.82          | 106.68          |
|            | <b>(B)</b>                                            | <b>151.36</b>   | <b>39.19</b>  | <b>-</b>       | <b>-</b>              | <b>190.54</b>   | <b>44.68</b>              | <b>16.04</b> | <b>-</b>  | <b>-</b>              | <b>60.72</b>   | <b>129.82</b>   | <b>106.68</b>   |
| <b>5.C</b> | <b>CAPITAL WIP</b>                                    |                 |               |                |                       |                 |                           |              |           |                       |                |                 |                 |
|            | Building                                              | 61.38           | 6.42          | (61.38)        | -                     | 6.42            | -                         | -            | -         | -                     | -              | 6.42            | 61.38           |
|            | Plant & Machinery                                     | -               | 32.31         | -              | -                     | 32.31           | -                         | -            | -         | -                     | -              | 32.31           | -               |
|            | <b>(C)</b>                                            | <b>61.38</b>    | <b>38.73</b>  | <b>(61.38)</b> | <b>-</b>              | <b>38.73</b>    | <b>-</b>                  | <b>-</b>     | <b>-</b>  | <b>-</b>              | <b>-</b>       | <b>38.73</b>    | <b>61.38</b>    |
|            | <b>TOTAL (A+B+C)</b>                                  | <b>1,719.95</b> | <b>165.08</b> | <b>-</b>       | <b>-</b>              | <b>1,885.03</b> | <b>402.14</b>             | <b>72.49</b> | <b>-</b>  | <b>-</b>              | <b>474.63</b>  | <b>1,410.40</b> | <b>1,317.81</b> |

Ageing of Intangible assets under development is as follows :

|                      | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total        |
|----------------------|------------------|-----------|-----------|-------------------|--------------|
| Projects in Progress | 38.73            | -         | -         | -                 | 38.73        |
| <b>Total</b>         | <b>38.73</b>     | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>38.73</b> |

INR MILLION

| Note 6 | NON CURRENT INVESTMENTS                                             | As at 31.03.2022 | As at 31.03.2021 |
|--------|---------------------------------------------------------------------|------------------|------------------|
|        | <b>Non-trade investments</b>                                        |                  |                  |
|        | <i>Unquoted Equity Instruments (Fully paid up)</i>                  |                  |                  |
|        | 2,500 Equity Shares of Zoroastrian Co-Op Bank Ltd. Of Rs. 40/- each | 0.10             | 0.10             |
|        | 2,500 Equity Shares of Saraswat Co-Op Bank Ltd. Of Rs. 10/- each    | 0.03             | 0.03             |
|        | 25% Shares of Global Bag S.R.O.                                     | 0.00             | 0.00             |
|        | <b>Investment in LLP</b>                                            |                  |                  |
|        | 99.99% Investment in Emmbi Watcon LLP                               | 0.10             | 0.10             |
|        | <b>TOTAL</b>                                                        | <b>0.23</b>      | <b>0.23</b>      |

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

INR MILLION

| Note 7 | LOANS (NON CURRENT)                      | As at 31.03.2022 | As at 31.03.2021 |
|--------|------------------------------------------|------------------|------------------|
|        | <b>Unsecured, Considered good</b>        |                  |                  |
|        | Loan to related party - Emmbi Watcon LLP | 1.03             | 1.02             |
|        | <b>TOTAL</b>                             | <b>1.03</b>      | <b>1.02</b>      |

INR MILLION

| Note 8 | OTHER FINANCIAL ASSETS (NON CURRENT)             | As at 31.03.2022 | As at 31.03.2021 |
|--------|--------------------------------------------------|------------------|------------------|
|        | Security Deposits                                | 18.14            | 12.25            |
|        | Bank Deposits(With more than 12 months maturity) |                  |                  |
|        | Term Deposits                                    | -                | 0.16             |
|        | <b>TOTAL</b>                                     | <b>18.14</b>     | <b>12.41</b>     |

INR MILLION

| Note 9 | DEFERRED TAX ASSET - MAT CREDIT ENTITLEMENT (NON CURRENT) | As at 31.03.2022 | As at 31.03.2021 |
|--------|-----------------------------------------------------------|------------------|------------------|
|        | MAT Credit Entitlement                                    | -                | 21.09            |
|        | <b>TOTAL</b>                                              | <b>-</b>         | <b>21.09</b>     |

INR MILLION

| Note 10 | INCOME TAX ASSETS (NON CURRENT) | As at 31.03.2022 | As at 31.03.2021 |
|---------|---------------------------------|------------------|------------------|
|         | Advance payment of Income Tax   | 101.88           | 146.54           |
|         | <b>TOTAL</b>                    | <b>101.88</b>    | <b>146.54</b>    |

INR MILLION

| Note 11 | OTHER NON CURRENT ASSETS | As at 31.03.2022 | As at 31.03.2021 |
|---------|--------------------------|------------------|------------------|
|         | Prepaid Rental           | 1.84             | -                |
|         | <b>TOTAL</b>             | <b>1.84</b>      | <b>-</b>         |

INR MILLION

| Note 12 | INVENTORIES*     | As at 31.03.2022 | As at 31.03.2021 |
|---------|------------------|------------------|------------------|
|         | Raw Materials    | 262.68           | 241.46           |
|         | Stock-in-Process | 480.57           | 425.25           |
|         | Finished Goods   | 186.28           | 189.67           |
|         | Stores & Spares  | 47.42            | 45.87            |
|         | <b>TOTAL</b>     | <b>976.95</b>    | <b>902.25</b>    |

\* Inventories are measured at cost or net realisable value, whichever is lower. As at the Balance Sheet date, there is no write-down/ provision on account of net realisable value being lower than cost.

| <b>Note 13</b> | <b>TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)</b>            | <b>As at 31.03.2022</b> | <b>As at 31.03.2021</b> |
|----------------|------------------------------------------------------------------|-------------------------|-------------------------|
|                | Trade Receivables                                                | 759.35                  | 638.10                  |
|                | Trade Receivables which have significant increase in credit risk | 0.36                    | 0.43                    |
|                | Trade Receivables- Credit Impaired                               | -                       | -                       |
|                | Allowance for Credit Losses                                      | (0.36)                  | (0.43)                  |
|                | <b>TOTAL</b>                                                     | <b>759.35</b>           | <b>638.10</b>           |

Ageing for trade receivables from the due date of payment for each of the category as at 31<sup>st</sup> March, 2022

| <b>Particulars</b>                                      | <b>Outstanding for following periods from due date of payment</b> |                        |                  |                  |                          | <b>Total</b>  |
|---------------------------------------------------------|-------------------------------------------------------------------|------------------------|------------------|------------------|--------------------------|---------------|
|                                                         | <b>Less than 6 mnths</b>                                          | <b>6 mnths -1 year</b> | <b>1-2 years</b> | <b>2-3 years</b> | <b>More than 3 years</b> |               |
| (i) Undisputed Trade receivables – considered good      | 757.02                                                            | 1.47                   | 0.67             | 0.19             | -                        | <b>759.35</b> |
| (ii) Undisputed Trade Receivables – considered doubtful | -                                                                 | -                      | -                | -                | -                        | -             |
| (iii) Disputed Trade Receivables considered good        | -                                                                 | -                      | -                | -                | -                        | -             |
| (iv) Disputed Trade Receivables considered doubtful     | -                                                                 | -                      | -                | -                | 0.36                     | <b>0.36</b>   |
|                                                         | <b>757.02</b>                                                     | <b>1.47</b>            | <b>0.67</b>      | <b>0.19</b>      | <b>0.36</b>              | <b>759.71</b> |
| Less : Allowance for Credit Losses                      | -                                                                 | -                      | -                | -                | (0.36)                   | (0.36)        |
|                                                         | <b>757.02</b>                                                     | <b>1.47</b>            | <b>0.67</b>      | <b>0.19</b>      | <b>-</b>                 | <b>759.35</b> |

Ageing for trade receivables from the due date of payment for each of the category as at 31<sup>st</sup> March, 2021

| <b>Particulars</b>                                      | <b>Outstanding for following periods from due date of payment</b> |                        |                  |                  |                          | <b>Total</b>  |
|---------------------------------------------------------|-------------------------------------------------------------------|------------------------|------------------|------------------|--------------------------|---------------|
|                                                         | <b>Less than 6 mnths</b>                                          | <b>6 mnths -1 year</b> | <b>1-2 years</b> | <b>2-3 years</b> | <b>More than 3 years</b> |               |
| (i) Undisputed Trade receivables – considered good      | 637.04                                                            | 0.85                   | 0.20             | -                | -                        | 638.10        |
| (ii) Undisputed Trade Receivables – considered doubtful | -                                                                 | -                      | -                | -                | -                        | -             |
| (iii) Disputed Trade Receivables considered good        | -                                                                 | -                      | -                | -                | -                        | -             |
| (iv) Disputed Trade Receivables considered doubtful     | -                                                                 | -                      | -                | -                | 0.43                     | 0.43          |
|                                                         | <b>637.04</b>                                                     | <b>0.85</b>            | <b>0.20</b>      | <b>-</b>         | <b>0.43</b>              | <b>638.53</b> |
| Less : Allowance for Credit Losses                      | -                                                                 | -                      | -                | -                | (0.43)                   | (0.43)        |
|                                                         | <b>637.04</b>                                                     | <b>0.85</b>            | <b>0.20</b>      | <b>-</b>         | <b>-</b>                 | <b>638.10</b> |

| <b>Note 14</b> | <b>CASH AND CASH EQUIVALENTS</b>                              | <b>As at 31.03.2022</b> | <b>As at 31.03.2021</b> |
|----------------|---------------------------------------------------------------|-------------------------|-------------------------|
|                | Balances with banks                                           |                         |                         |
|                | In Current Account                                            | -                       | -                       |
|                | Cash on hand                                                  | 2.75                    | 3.02                    |
|                | Others:                                                       |                         |                         |
|                | Term deposits with Banks (maturity of less than three months) | 6.81                    | 6.19                    |
|                | <b>TOTAL</b>                                                  | <b>9.56</b>             | <b>9.21</b>             |
|                | Cash & cash equivalents as per Cash Flow Statement            | <b>9.56</b>             | <b>9.21</b>             |

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| Note 15 | BANK BALANCE OTHER THAN ABOVE                                                  | As at 31.03.2022 | As at 31.03.2021 |
|---------|--------------------------------------------------------------------------------|------------------|------------------|
|         | Earmarked balances with Banks                                                  |                  |                  |
|         | Unclaimed Dividend A/c                                                         | 0.34             | 0.42             |
|         | Term Deposits (maturity of more than three months but less than twelve months) | -                | 5.61             |
|         | <b>TOTAL</b>                                                                   | <b>0.34</b>      | <b>6.03</b>      |

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| Note 16 | OTHER CURRENT ASSETS                                                      | As at 31.03.2022 | As at 31.03.2021 |
|---------|---------------------------------------------------------------------------|------------------|------------------|
|         | Balance with Central Excise, Service Tax, GST and other Govt. Authorities | 61.26            | 68.02            |
|         | Prepaid Expenses                                                          | 35.17            | 26.44            |
|         | Other Advances                                                            | 61.09            | 43.12            |
|         | <b>TOTAL</b>                                                              | <b>157.52</b>    | <b>137.58</b>    |

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| Note 17 | EQUITY SHARE CAPITAL                                     | As at 31.03.2022 | As at 31.03.2021 |
|---------|----------------------------------------------------------|------------------|------------------|
|         | <b>Authorised Share Capital</b>                          |                  |                  |
|         | 1,80,00,000 (P.Y. : 1,80,00,000)                         |                  |                  |
|         | Equity shares of Rs.10/- each.                           | 180.00           | 180.00           |
|         |                                                          | <b>180.00</b>    | <b>180.00</b>    |
|         | <b>Issued, Subscribed &amp; Paid-up</b>                  |                  |                  |
|         | 1,76,90,250 Equity shares of Rs. 10/- each fully paid up | 176.90           | 176.90           |
|         | <b>TOTAL</b>                                             | <b>176.90</b>    | <b>176.90</b>    |

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| 17.1 | The Reconciliation of the number of shares outstanding is set out below :<br>Particulars | As at 31.03.2022<br>No. of Shares | As at 31.03.2021<br>No. of Shares |
|------|------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
|      | Equity Shares at the beginning of the year                                               | 17.69                             | 17.69                             |
|      | Changes during the year                                                                  | -                                 | -                                 |
|      | Equity Shares at the end of the year                                                     | 17.69                             | 17.69                             |

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| 17.2 | The Details of Shareholders Holding more than 5% Shares<br>Name of Shareholder | As at 31.03.2022<br>No. of Shares | %Held | As at 31.03.2021<br>No. of Shares | % Held |
|------|--------------------------------------------------------------------------------|-----------------------------------|-------|-----------------------------------|--------|
|      | Makrand Moreshwar Appalwar                                                     | 3.83                              | 21.64 | 3.83                              | 21.63  |
|      | Rinku Makrand Appalwar                                                         | 2.37                              | 13.38 | 2.37                              | 13.38  |
|      | Maithili Appalwar                                                              | 1.07                              | 6.02  | 1.07                              | 6.02   |
|      | Emmbi Laboratories Private Limited                                             | 1.66                              | 9.40  | 1.66                              | 9.40   |
|      | Hidden Champions Fund                                                          | 1.22                              | 6.91  | 1.22                              | 6.91   |
|      | Maithili Agrotech Private Limited                                              | 1.06                              | 6.00  | 1.06                              | 6.00   |

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

The company has only one class of equity shares having par value of Rs. 10.00 per share (previous year Rs. 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.

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| 17.4 | Details of shareholdings by the Promoters of the Company<br>Name of Shareholder | As at 31.03.2022<br>No. of Shares | %Held | As at 31.03.2021<br>No. of Shares | % Held |
|------|---------------------------------------------------------------------------------|-----------------------------------|-------|-----------------------------------|--------|
|      | Makrand Moreshwar Appalwar                                                      | 3.83                              | 21.64 | 3.83                              | 21.63  |
|      | Rinku Makrand Appalwar                                                          | 2.37                              | 13.38 | 2.37                              | 13.38  |
|      | Maithili Appalwar                                                               | 1.07                              | 6.02  | 1.07                              | 6.02   |
|      | Mitravinda Appalwar                                                             | 0.24                              | 1.37  | 0.24                              | 1.37   |
|      | Avinash Laddha                                                                  | 0.06                              | 0.36  | 0.06                              | 0.36   |
|      | Emmbi Laboratories Private Limited                                              | 1.66                              | 9.40  | 1.66                              | 9.40   |
|      | Maithili Agrotech Private Limited                                               | 1.06                              | 6.00  | 1.06                              | 6.00   |

| Note 18 | OTHER EQUITY (REFER TO THE STATEMENTS OF CHANGES IN EQUITY) | As at 31.03.2022 | As at 31.03.2021 |
|---------|-------------------------------------------------------------|------------------|------------------|
|         | <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                     | 902.06           | 834.17           |
|         | Add : Profit for the Year                                   | 190.33           | 76.74            |
|         | Add/Less : Other Comprehensive Income for the year          | (0.94)           | (1.78)           |
|         | Add/Less : Other Adjustments                                | 0.08             | -                |
|         | Less : Dividend                                             | (6.44)           | (6.56)           |
|         | Less : Dividend Distribution Tax / TDS on dividend          | (0.64)           | (0.52)           |
|         |                                                             | 1,084.45         | 902.06           |
|         | <b>TOTAL</b>                                                | <b>1,357.09</b>  | <b>1,174.71</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.

| Note 19 | BORROWINGS (NON CURRENT) | As at 31.03.2022 |               | As at 31.03.2021 |               |
|---------|--------------------------|------------------|---------------|------------------|---------------|
|         |                          | Non Current      | Current       | Non Current      | Current       |
|         | <b>(a) Secured</b>       |                  |               |                  |               |
|         | Term Loans               |                  |               |                  |               |
|         | - From Banks             | 500.88           | 176.48        | 559.43           | 121.12        |
|         | - From Corporates        | -                | -             | -                | -             |
|         | Other loans & advances   | -                | -             | -                | -             |
|         | <b>(b) Unsecured</b>     |                  |               |                  |               |
|         | Term Loans               | -                | -             | -                | -             |
|         | - From Banks & NBFC      | -                | 0.51          | 0.75             | 7.31          |
|         | - From Corporates        | -                | -             | -                | -             |
|         | Other loans & advances   | -                | -             | -                | -             |
|         | <b>TOTAL</b>             | <b>500.88</b>    | <b>176.99</b> | <b>560.18</b>    | <b>128.44</b> |

**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 and Daman & Diu, Silvassa- 396230, Survey No. 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli and Daman & Diu, Silvassa- 396230, Survey No. 87, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli and Daman & Diu, Silvassa- 396230 and Survey No. 28A & 42, Masat Industrial Estate, U.T. of Dadra & Nagar Haveli and Daman & Diu, 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-Axis Bank, DBS Bank India Ltd., ICICI Bank and Saraswat Co-op. Bank.

**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**

| YEARS       | Secured Loans | Unsecured Loans |
|-------------|---------------|-----------------|
| For 2022-23 | 176.48        | 0.51            |
| For 2023-24 | 161.77        | -               |
| For 2024-25 | 170.72        | -               |
| For 2025-26 | 117.89        | -               |
| For 2026-27 | 29.80         | -               |
| For 2027-28 | 20.69         | -               |

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| Note 20 | EMPLOYEE BENEFIT PROVISIONS (NON CURRENT)  | As at 31.03.2022 | As at 31.03.2021 |
|---------|--------------------------------------------|------------------|------------------|
|         | Provision for Employee Benefits (Gratuity) | 13.98            | 13.14            |
|         | <b>TOTAL</b>                               | <b>13.98</b>     | <b>13.14</b>     |

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| Note 21 | DEFERRED TAX LIABILITIES                                         | As at 31.03.2022 | As at 31.03.2021 |
|---------|------------------------------------------------------------------|------------------|------------------|
|         | The balance comprises of temporary differences attributable to : |                  |                  |
|         | Depreciation(Net)                                                | 115.70           | 100.77           |
|         | <b>TOTAL</b>                                                     | <b>115.70</b>    | <b>100.77</b>    |

Note:

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

INR MILLION

|  | MOVEMENT OF DEFERRED TAX LIABILITIES | As at 31.03.2022 | As at 31.03.2021 |
|--|--------------------------------------|------------------|------------------|
|  | At the start of the year             | 100.77           | 93.23            |
|  | <b>Charged/(Credited)</b>            | <b>-</b>         | <b>-</b>         |
|  | - to Profit or loss (depreciation)   | 14.93            | 7.54             |
|  | <b>TOTAL</b>                         | <b>115.70</b>    | <b>100.77</b>    |

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| Note 22 | PROVISIONS (NON CURRENT) | As at 31.03.2022 | As at 31.03.2021 |
|---------|--------------------------|------------------|------------------|
|         | Provision For Taxes      | 106.42           | 166.78           |
|         | <b>TOTAL</b>             | <b>106.42</b>    | <b>166.78</b>    |

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| Note 23 | BORROWINGS (CURRENT)                                              | As at 31.03.2022 | As at 31.03.2021 |
|---------|-------------------------------------------------------------------|------------------|------------------|
|         | Current maturities of long term debt (Refer Note : 19) from Banks | 176.99           | 128.44           |
|         | Secured (Refer Note 23.1)                                         | 763.10           | 675.56           |
|         | <b>TOTAL</b>                                                      | <b>940.09</b>    | <b>803.99</b>    |

**23.1 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- Axis Bank, DBS Bank India Ltd., ICICI Bank and Saraswat Co-op. Bank.

**23.2** The quarterly returns/ statements filed with the Banks and Financial Institutions are in agreement with the books of accounts.

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| Note 24 | TRADE PAYABLES                                         | As at 31.03.2022 | As at 31.03.2021 |
|---------|--------------------------------------------------------|------------------|------------------|
|         | Dues to Micro Enterprises and Small Enterprises (MESE) | -                | -                |
|         | Payables other than MESE                               | 313.23           | 259.29           |
|         | <b>TOTAL</b>                                           | <b>313.23</b>    | <b>259.29</b>    |

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022

| Particulars  | Outstanding for following periods from due date of payment |           |           |                   |               |
|--------------|------------------------------------------------------------|-----------|-----------|-------------------|---------------|
|              | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total         |
| (i)MSME      | -                                                          | -         | -         | -                 | -             |
| (ii)Others   | 313.23                                                     | -         | -         | -                 | 313.23        |
| <b>TOTAL</b> | <b>313.23</b>                                              | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>313.23</b> |

Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2021

| Particulars  | Outstanding for following periods from due date of payment |           |           |                   |               |
|--------------|------------------------------------------------------------|-----------|-----------|-------------------|---------------|
|              | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total         |
| (i)MSME      | -                                                          | -         | -         | -                 | -             |
| (ii)Others   | 259.29                                                     | -         | -         | -                 | 259.29        |
| <b>TOTAL</b> | <b>259.29</b>                                              | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>259.29</b> |

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| <b>Note 25</b> | <b>OTHER FINANCIAL LIABILITIES (CURRENT)</b> | <b>As at 31.03.2022</b> | <b>As at 31.03.2021</b> |
|----------------|----------------------------------------------|-------------------------|-------------------------|
|                | Unpaid Dividends                             | 0.34                    | 0.42                    |
|                | Others                                       | 21.41                   | 28.66                   |
|                | <b>TOTAL</b>                                 | <b>21.75</b>            | <b>29.08</b>            |

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| <b>Note 26</b> | <b>CONTINGENT LIABILITIES AND COMMITMENTS</b>                              | <b>As at 31.03.2022</b> | <b>As at 31.03.2021</b> |
|----------------|----------------------------------------------------------------------------|-------------------------|-------------------------|
| a)             | Contingent liabilities not provided for Guarantees'                        |                         |                         |
|                | 1. Guarantee by Banks to Electricity Department (Silvassa)                 | 10.94                   | 9.94                    |
|                | 2. Guarantee by Banks to District Horticulture Development Society.        | 2.39                    | 3.64                    |
|                | 3. Warranty against Sale of Retail Water Conservation products for 5 years | 19.51                   | 17.44                   |
| b)             | Commitments                                                                |                         |                         |
|                | Estimated amount of contracts remaining to be executed                     |                         |                         |
|                | - On capital account (Net of Advances) and not provided for                | 0.29                    | 6.70                    |
|                | - On account of Machinery                                                  | -                       | -                       |
|                | - On account of Land and Building                                          |                         |                         |

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| <b>Note 27</b> | <b>REVENUE FROM OPERATIONS</b> | <b>2021-22</b>  | <b>2020-21</b>  |
|----------------|--------------------------------|-----------------|-----------------|
|                | Revenue from- Sale of products |                 |                 |
|                | Export Sales                   | 3,194.28        | 1,850.78        |
|                | Domestic Sales                 | 1,909.42        | 1,347.61        |
|                |                                | 5,103.69        | 3,198.39        |
|                | Less : GST recovered           | 747.48          | 458.50          |
|                | <b>TOTAL</b>                   | <b>4,356.22</b> | <b>2,739.89</b> |

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| <b>27.1</b> | <b>DETAILS OF SALE OF PRODUCTS Manufactured Goods</b> | <b>2021-22</b>  | <b>2020-21</b>  |
|-------------|-------------------------------------------------------|-----------------|-----------------|
|             | Polymer Based Multiple Products                       | 5,103.69        | 3,198.39        |
|             | <b>TOTAL</b>                                          | <b>5,103.69</b> | <b>3,198.39</b> |

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| <b>Note 28</b> | <b>OTHER INCOME</b>                                  | <b>2021-22</b> | <b>2020-21</b> |
|----------------|------------------------------------------------------|----------------|----------------|
|                | <b>Interest</b>                                      |                |                |
|                | From Current Investments                             | 0.80           | 1.30           |
|                | From Others                                          | -              | -              |
|                | <b>Dividend</b>                                      |                |                |
|                | From Long Term Investments (on shares of Co Op bank) | 0.01           | 0.00           |
|                | Other Non Operating Income                           | 0.24           | 0.63           |
|                | <b>TOTAL</b>                                         | <b>1.05</b>    | <b>1.93</b>    |

INR MILLION

| Note 29 | COST OF MATERIAL CONSUMED     | 2021-22         | 2020-21         |
|---------|-------------------------------|-----------------|-----------------|
|         |                               |                 |                 |
|         | <b>Raw Materials Consumed</b> |                 |                 |
|         | Opening Inventory             | 241.46          | 182.27          |
|         | Add : Purchases (Net)         | 2,840.36        | 1,859.97        |
|         |                               | <b>3,081.82</b> | <b>2,042.25</b> |
|         | Less : Closing Inventory      | 262.68          | 241.46          |
|         | <b>TOTAL</b>                  | <b>2,819.14</b> | <b>1,800.79</b> |

INR MILLION

| 29.1 | DETAILS OF INDIGENOUS AND IMPORTED RAW MATERIALS CONSUMED | 2021-22         |               | 2020-21         |               |
|------|-----------------------------------------------------------|-----------------|---------------|-----------------|---------------|
|      |                                                           | Rs.             | % Consumption | Rs.             | % Consumption |
|      | Imported                                                  | 176.49          | 6.26          | 34.09           | 1.89          |
|      | Indigenous                                                | 2,642.65        | 93.74         | 1,766.70        | 98.11         |
|      | <b>TOTAL</b>                                              | <b>2,819.14</b> | <b>100.00</b> | <b>1,800.79</b> | <b>100.00</b> |

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| 29.2 | PARTICULARS OF MATERIAL CONSUMED                        | 2021-22         | 2020-21         |
|------|---------------------------------------------------------|-----------------|-----------------|
|      |                                                         |                 |                 |
|      | Polymer Granules And Films Of Various Grades and Others | 2,819.14        | 1,800.79        |
|      | <b>TOTAL</b>                                            | <b>2,819.14</b> | <b>1,800.79</b> |

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| Note 30 | CHANGES IN INVENTORIES OF STOCK-IN-TRADE, WORK-IN-PROGRESS AND FINISHED GOODS | 2021-22        | 2020-21        |
|---------|-------------------------------------------------------------------------------|----------------|----------------|
|         |                                                                               |                |                |
|         | <b>Inventories (At Close)</b>                                                 |                |                |
|         | Stock-in-Process                                                              | 480.57         | 425.25         |
|         | Finished goods                                                                | 186.28         | 189.67         |
|         |                                                                               | <b>666.85</b>  | <b>614.92</b>  |
|         | <b>Inventories (At Commencement)</b>                                          |                |                |
|         | Stock-in-Process                                                              | 425.25         | 457.37         |
|         | Finished goods                                                                | 189.67         | 77.90          |
|         |                                                                               | <b>614.92</b>  | <b>535.28</b>  |
|         | <b>TOTAL</b>                                                                  | <b>(51.93)</b> | <b>(79.64)</b> |

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| Note 31 | EMPLOYEES BENEFITS EXPENSES                    | 2021-22       | 2020-21       |
|---------|------------------------------------------------|---------------|---------------|
|         |                                                |               |               |
|         | Salaries                                       | 174.34        | 159.62        |
|         | Employees Welfare Expenses                     | 12.57         | 9.48          |
|         | Contribution to Provident Fund and Other Fund* | 8.51          | 7.55          |
|         | Gratuity                                       | 1.94          | 2.36          |
|         | <b>TOTAL</b>                                   | <b>197.35</b> | <b>179.01</b> |

\* Includes amount of Rs. 7.44 Mn received under ABRY, PMRPY AND PMPRPY Schemes.

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| Note 32 | FINANCE COSTS         | 2021-22       | 2020-21       |
|---------|-----------------------|---------------|---------------|
|         |                       |               |               |
|         | Interest              | 104.51        | 93.25         |
|         | Other borrowing costs | 42.11         | 20.36         |
|         | <b>TOTAL</b>          | <b>146.62</b> | <b>113.61</b> |

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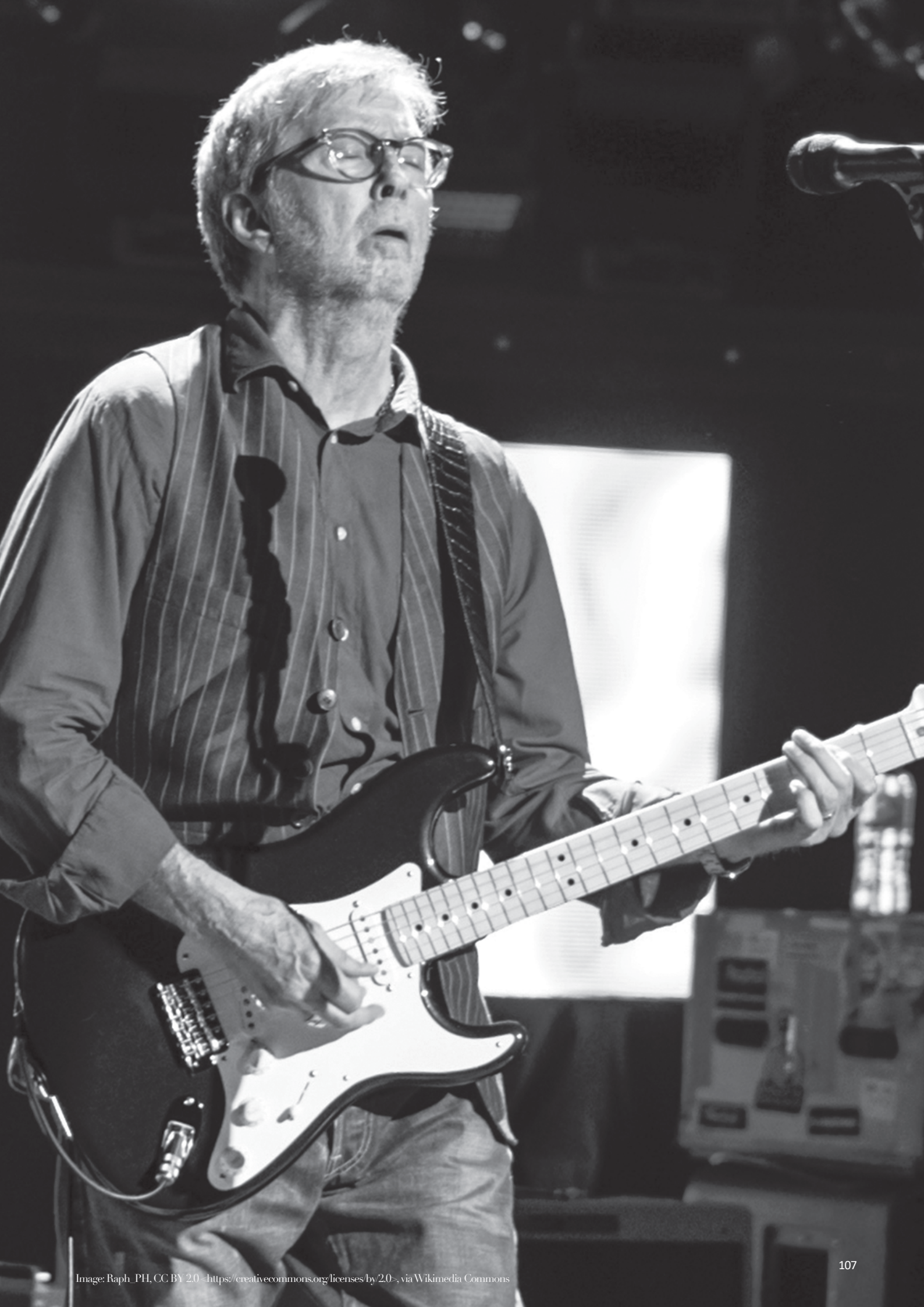
| Note 33 | DEPRECIATION AND AMORTIZATION EXPENSES | 2021-22      | 2020-21      |
|---------|----------------------------------------|--------------|--------------|
|         |                                        |              |              |
|         | Depreciation and Amortization          | 87.38        | 72.49        |
|         | <b>TOTAL</b>                           | <b>87.38</b> | <b>72.49</b> |

| Note 34 | OTHER EXPENSES                                  | 2021-22       | 2020-21       |
|---------|-------------------------------------------------|---------------|---------------|
|         | <b>MANUFACTURING EXPENSES</b>                   |               |               |
|         | Factory Wages                                   | 194.44        | 126.86        |
|         | Power and Fuel                                  | 76.08         | 72.31         |
|         | Labour Charges                                  | 121.32        | 54.16         |
|         | Consumable Stores                               | 91.68         | 86.45         |
|         | Repairs & Maintenance                           | 14.03         | 10.80         |
|         | Other Manufacturing Expenses                    | 7.52          | 6.69          |
|         | <b>Sub-Total (A)</b>                            | <b>505.06</b> | <b>357.27</b> |
|         | <b>SELLING AND DISTRIBUTION EXPENSES</b>        |               |               |
|         | Freight Forwarding Expenses                     | 292.73        | 96.81         |
|         | Sales Promotion Expenses                        | 12.17         | 17.78         |
|         | Vehicle Expenses                                | 5.42          | 2.89          |
|         | Incentives                                      | 19.24         | 12.72         |
|         | Other Selling and Distribution Expenses         | 1.40          | 0.98          |
|         | Sundry Export Expenses                          | 2.76          | 0.79          |
|         | Commission                                      | 1.27          | 0.40          |
|         | <b>Sub-Total (B)</b>                            | <b>334.99</b> | <b>132.37</b> |
|         | <b>ESTABLISHMENT EXPENSES</b>                   |               |               |
|         | Legal and Professional Charges                  | 21.12         | 12.59         |
|         | Scientific Research & Development               | 8.70          | 22.91         |
|         | Rent                                            | 15.25         | 10.51         |
|         | Tour & Travelling Expenses                      | 10.46         | 10.49         |
|         | Insurance                                       | 18.25         | 11.32         |
|         | Printing, Stationary, Computer & Xerox Expenses | 5.83          | 3.52          |
|         | Postage and courier Expenses                    | 2.05          | 2.03          |
|         | Telephone Expenses                              | 2.33          | 2.26          |
|         | General Expenses                                | 15.57         | 11.71         |
|         | Electricity expenses- Mumbai Office             | 0.87          | 0.58          |
|         | Sundry Balances W/off (W /back)                 | -             | 1.03          |
|         | Conveyance Expenses                             | 2.03          | 0.90          |
|         | Donations                                       | 0.11          | 0.02          |
|         | Donations for CSR Activities                    | 4.00          | 4.45          |
|         | Foreign Exchange Variation (Net)                | (48.10)       | (30.20)       |
|         | Payment to Auditor (See Note 34.3)              | 1.45          | 1.45          |
|         | Gst Reversal On Purchases & Expenses            | 0.55          | 0.03          |
|         | Loss on Sale of Fixed Asset                     | 0.14          | -             |
|         | <b>Sub-Total (C)</b>                            | <b>60.57</b>  | <b>65.59</b>  |
|         | <b>TOTAL [(A)+(B)+(C)]</b>                      | <b>900.62</b> | <b>555.23</b> |

| 34.1 DETAILS OF STORES, CHEMICALS AND PACKING MATERIALS CONSUMED | Rs.          | 2021-22<br>% Consumption | Rs.          | 2020-21<br>% Consumption |
|------------------------------------------------------------------|--------------|--------------------------|--------------|--------------------------|
| Imported                                                         | -            | -                        | -            | -                        |
| Indigenous                                                       | 91.68        | 100                      | 86.45        | 100                      |
| <b>TOTAL</b>                                                     | <b>91.68</b> | <b>100</b>               | <b>86.45</b> | <b>100</b>               |

| 34.2 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF | 2021-22 | 2020-21 |
|--------------------------------------------------|---------|---------|
| Import of Raw Materials                          | 176.49  | 34.09   |
|                                                  | 176.49  | 34.09   |

| 34.3 PAYMENT TO AUDITORS | 2021-22 | 2020-21 |
|--------------------------|---------|---------|
| <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    |



# The Survivor

What if you were one of the world's best-known musicians, had millions of devoted followers and were referred to as 'God', only to almost lose it all? To face the demons of drug and alcohol addiction to the extent that you almost sold your entire collection of guitars to feed your habit? To lose your four-and-a-half-year old son in a tragic fall down 49 storeys? Can anyone bounce back from such unspeakable tragedy?

There is one man who did. The world calls him God. And his name is Eric Clapton.

Eric was born to 16-year-old Patricia and Edward Fryer, a military man, on March 30, 1945. Fryer was drafted to war before Clapton's birth and then returned to his native Quebec, Canada. Clapton was then brought up by his grandparents. He grew up believing that his grandmother Rose and her husband, Jack Clapp, were his parents. And that his mother was actually his older sister.

An acoustic guitar that he received for his thirteenth birthday hooked him onto music. And the rest, as they say, is history. Clapton practically taught himself music, listening to records and learning to play the chords. He developed a deep interest in the Blues (largely considered the music of the black people) and with time, became proficient in it. He had stellar careers with bands like The Yardbirds, John Mayall and the Bluesbreakers, Cream and more, before finally embarking on a solo career. Eric was a prolific guitar man and over time, evolved his own unique style that drew thousands and millions of fans worldwide. Graffiti proclaiming "Clapton is God" began to come up across the UK, and was a testament to the man's popularity and his skill.

But through fame and fortune, Eric had his demons. He struggled for

years with a heroin addiction, even taking a couple of years off from performing to deal with it. There are stories told of how Clapton once passed out on stage in the middle of a performance in 1971. He was revived on stage, and carried on with his performance. And yet, as he began to win over his drug addiction, his dependence on alcohol gradually grew. There are accounts of Clapton beginning to sell off his possessions to feed his habit. According to one, it came down to his almost selling his most famous (and most prized) possession – a black Fender Stratocaster that he had christened "Blackie".

But the turning point came in 1991. Four-year-old Conor, Eric's son with Italian actress Lory Del Santo, fell from the 53rd floor of a New York high-rise. Eric, who was turning his life around, had just taken out his son by himself for the first time the day before, and was due to arrive to pick Conor up for another day out. The boy, apparently excited to see his papa, was running around the apartment and fell out of a window that a janitor had left open as she cleaned.

Eric wrote the song, "Tears in Heaven" as a tribute to Conor. At that time, Eric was sober for three years. After Conor's death, Eric, completely shattered and overcome with grief, redoubled his efforts to stay sober. In 1998, he established Crossroads – a rehabilitation center in Antigua for people that were struggling with addiction. Today, he's actively involved with Crossroads, campaigning to help people overcome addiction and spearheading The Crossroads Festival to raise money and awareness.

Does he regret or wish away all his addiction days? He said this in an interview to NPR: "I don't know that I can honestly regret any of it safely," he said, "because it's brought me to where I am. My life would not be the same, and I would not have what I have today, were [it not] for the fact that I went through all this stuff."

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| <b>34.4 EXPENDITURE IN FOREIGN CURRENCY</b> | <b>2021-22</b> | <b>2020-21</b> |
|---------------------------------------------|----------------|----------------|
| Foreign Bank Charges                        | 1.09           | 0.88           |
| Testing Charges                             | 1.51           | -              |
| Foreign Travelling Expenses                 | 0.46           | -              |
| Freight Charges                             | 49.99          | -              |
| Membership Fees                             | 0.21           | -              |
| Discount & Commission                       | 1.37           | 0.47           |

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| <b>34.5 PARTICULARS</b>               | <b>2021-22</b> | <b>2020-21</b> |
|---------------------------------------|----------------|----------------|
| Foreign Exchange loss / (Gain) of Rs. | (48.10)        | (30.20)        |

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| <b>Note 35 EARNINGS PER SHARE (EPS)</b>                                           | <b>2021-22</b> | <b>2020-21</b> |
|-----------------------------------------------------------------------------------|----------------|----------------|
| Net Profit after tax as per Statement of Profit and Loss                          | 190.33         | 76.74          |
| 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                                                          | 10.76          | 4.34           |
| Diluted Earnings per share                                                        | 10.76          | 4.34           |
| Face Value per equity share                                                       | 10.00          | 10.00          |

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| <b>Note 36 EARNINGS IN FOREIGN EXCHANGE</b> | <b>2021-22</b> | <b>2020-21</b> |
|---------------------------------------------|----------------|----------------|
| FOB value of Exports                        | 3,010.81       | 1,797.84       |

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| <b>Note 37 RELATED PARTY DISCLOSURES</b>                    |                                          |                                              |                                              |                                   |
|-------------------------------------------------------------|------------------------------------------|----------------------------------------------|----------------------------------------------|-----------------------------------|
| <b>Name of Related Party<br/>(Designation)</b>              | <b>Nature of<br/>Transaction</b>         | <b>Amount of<br/>Transaction<br/>2021-22</b> | <b>Amount of<br/>Transaction<br/>2020-21</b> | <b>Balance as<br/>on 31.03.22</b> |
| Makrand Appalwar<br>(Managing Director)                     | Remuneration<br>Outstanding Remuneration | 7.80                                         | 7.02                                         | 0.35<br>(0.45)*                   |
| Rinku Appalwar<br>(CFO & Director)                          | Remuneration<br>Outstanding Remuneration | 7.20                                         | 6.48                                         | 0.40<br>(0.35)*                   |
| Maithili Appalwar<br>(CFO-Avana Division)                   | Remuneration<br>Outstanding Remuneration | 2.57                                         | 2.40                                         | 0.15<br>(0.16)*                   |
| Payment to Non- Executive Directors                         | Sitting Fees                             | 0.31                                         | 0.40                                         | -                                 |
| Emmbi Watcon LLP<br>(99.99% Share)                          | Loan given<br>Loan Repaid                | 0.00<br>-                                    | 0.00<br>0.05                                 | 1.03<br>(1.02)*                   |
| S. Sastry<br>(President works)                              | Remuneration                             | 5.80                                         | 4.61                                         | 0.30<br>(0.30)*                   |
| Kaushal Patvi<br>(Company Secretary)                        | Salary                                   | 1.40                                         | 1.16                                         | 0.09<br>(0.09)*                   |
| Kitec Industries (India) Private Ltd.<br>(Common Directors) | Sale of Goods                            | 1.89                                         | 2.93                                         | 0.16<br>(0.01)*                   |
| Kitec Industries (India) Private Ltd.<br>(Common Directors) | Purchases                                | 0.15                                         | 2.29                                         | -                                 |
| Dividend paid to Relatives                                  | Dividend paid<br>to Relatives            | 4.12                                         | 4.11                                         | -                                 |

(\* Figures represent balance as on 31.03.2021)

| Note 38 | TRADE PAYABLES TO MICRO, SMALL AND MEDIUM ENTERPRISES                                                                                                                                                                                                                                                                 | 2021-22 | 2020-21 |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|
|         | 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 39** 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 40 : Category wise Classification of Financial Instruments

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| Particulars                        | Refer Note | March 31, 2022 |             |                 | March 31, 2021 |             |                 |
|------------------------------------|------------|----------------|-------------|-----------------|----------------|-------------|-----------------|
|                                    |            | FVPL           | FVOCI       | Amortised cost  | FVPL           | FVOCI       | Amortised cost  |
| <b>FINANCIAL ASSETS</b>            |            |                |             |                 |                |             |                 |
| Trade receivables                  | 13         | -              | -           | 759.35          | -              | -           | 638.10          |
| Loans                              | 7          | -              | -           | 1.03            | -              | -           | 1.02            |
| Cash and Bank Balances             | 14         | -              | -           | 9.90            | -              | -           | 15.24           |
| Interest accrued                   |            | -              | -           | -               | -              | -           | -               |
| Investments                        | 6          | 0.00           | 0.13        | -               | 0.00           | 0.13        | -               |
| Security deposits                  | 8          | -              | -           | 18.14           | -              | -           | 12.41           |
| Others                             |            | -              | -           | -               | -              | -           | -               |
| <b>TOTAL FINANCIAL ASSETS</b>      |            | <b>0.00</b>    | <b>0.13</b> | <b>788.42</b>   | <b>0.00</b>    | <b>0.13</b> | <b>666.77</b>   |
| <b>FINANCIAL LIABILITIES</b>       |            |                |             |                 |                |             |                 |
| Trade payables                     | 24         | -              | -           | 313.23          | -              | -           | 259.29          |
| Short Term Borrowings              | 23         | -              | -           | 940.09          | -              | -           | 803.99          |
| Interest accrued                   |            | -              | -           | -               | -              | -           | -               |
| Loans borrowed                     | 19 & 23    | -              | -           | 500.88          | -              | -           | 560.18          |
| Others                             | 25         | -              | -           | 21.75           | -              | -           | 29.08           |
| <b>TOTAL FINANCIAL LIABILITIES</b> |            | <b>-</b>       | <b>-</b>    | <b>1,775.95</b> | <b>-</b>       | <b>-</b>    | <b>1,652.55</b> |

(\* Please refer Note 42- Liquidity Risk)

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#### NOTE 41: INCOME TAX EXPENSE

| A. INCOME TAX EXPENSE                                                                                                                    |  | For the year ended |                |
|------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------|----------------|
|                                                                                                                                          |  | March 31, 2022     | March 31, 2021 |
| Current tax                                                                                                                              |  |                    |                |
| Current tax on profits for the year                                                                                                      |  | 50.01              | 16.05          |
| Adjustments for current tax of previous years                                                                                            |  | 2.81               | (0.00)         |
| <b>Total Current tax expenses</b>                                                                                                        |  | <b>52.82</b>       | <b>16.05</b>   |
| <b>B. DEFERRED TAX</b>                                                                                                                   |  |                    |                |
| Deferred Tax for the year                                                                                                                |  | 14.93              | 7.54           |
| Total deferred tax expense/(benefit)                                                                                                     |  | 14.93              | 7.54           |
| <b>Income tax expense</b>                                                                                                                |  | <b>67.75</b>       | <b>23.59</b>   |
| C. RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S TAX RATE                                                |  | For the year ended |                |
|                                                                                                                                          |  | March 31, 2022     | March 31, 2021 |
| Profit from continuing operations before income tax expense                                                                              |  | 258.08             | 100.33         |
| Tax at the Indian tax rate of % (previous year %)                                                                                        |  | 29.12%             | 27.82%         |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: Dividend Income from Investments exempt from tax |  | 75.15              | 27.91          |
| Effects of non deductible business expenses                                                                                              |  | 0.78               | 1.00           |
| Effect of Tax Incentives                                                                                                                 |  | -                  | -              |
| Effect on account of Minimum Alternate Tax (MAT)                                                                                         |  | -                  | -              |
| Effect on account of Minimum Alternate Tax (MAT) Credit Availment                                                                        |  | (11.00)            | (5.32)         |
| Adjustments for current tax of previous years                                                                                            |  | 2.81               | (0.00)         |
| Other items                                                                                                                              |  | -                  | -              |
| <b>Income tax expense</b>                                                                                                                |  | <b>67.75</b>       | <b>23.59</b>   |

**NOTE 42: EMPLOYEE BENEFIT OBLIGATIONS**

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

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| I Defined Benefit Plans | March 31, 2022 | March 31, 2021 |
|-------------------------|----------------|----------------|
| <b>Gratuity</b>         |                |                |
| Non-Current             | 13.98          | 13.14          |
| <b>Total</b>            | <b>13.98</b>   | <b>13.14</b>   |

**A Significant assumptions :**

The significant actuarial assumptions were as follows :

| Particulars            | March 31, 2022                                                             | March 31, 2021                                                             |
|------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Discount rate          | 7.10% p.a.                                                                 | 6.75% p.a.                                                                 |
| Salary escalation rate | 6.50% p.a.                                                                 | 6.50% p.a.                                                                 |
| Retirement age         | 58 years                                                                   | 58 years                                                                   |
| Mortality rate         | Indian Assured<br>Lives Mortality<br>(2012-14) Ultimate<br>Mortality Rates | Indian Assured<br>Lives Mortality<br>(2012-14) Ultimate<br>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 :-

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|                                                  | For the year ended |                |
|--------------------------------------------------|--------------------|----------------|
|                                                  | March 31, 2022     | March 31, 2021 |
| <b>Employers' Contribution to Provident Fund</b> | <b>11.93</b>       | <b>8.11</b>    |

**III Gratuity**

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

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| Particulars                                                  | Present value<br>of obligation | Fair value of<br>plan assets | Net amount   |
|--------------------------------------------------------------|--------------------------------|------------------------------|--------------|
| April 1, 2020                                                | 12.80                          | 0.01                         | 12.79        |
| Current service cost                                         | 1.49                           | -                            | 1.49         |
| Interest expense/(income)                                    | 0.86                           | -                            | 0.86         |
| <b>Total amount recognised in Profit or Loss</b>             | <b>2.36</b>                    | <b>-</b>                     | <b>2.36</b>  |
| Return on plan assets expense/(income)                       | -                              | -                            | -            |
| (Gain)/loss from experience changes                          | 1.78                           | -                            | 1.78         |
| (Gain)/loss from change in financial assumptions             | -                              | -                            | -            |
| <b>Total amount recognised in Other Comprehensive Income</b> | <b>1.78</b>                    | <b>-</b>                     | <b>1.78</b>  |
| Employer's contribution                                      | -                              | -                            | -            |
| Benefits paid                                                | (3.79)                         | -                            | (3.79)       |
| <b>March 31, 2021</b>                                        | <b>13.15</b>                   | <b>0.01</b>                  | <b>13.14</b> |

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| Particulars                                      | Present value<br>of obligation | Fair value of<br>plan assets | Net amount  |
|--------------------------------------------------|--------------------------------|------------------------------|-------------|
| April 1, 2021                                    | 13.15                          | 0.01                         | 13.14       |
| Current service cost                             | 1.05                           | -                            | 1.05        |
| Interest expense/(income)                        | 0.89                           | -                            | 0.89        |
| <b>Total amount recognised in Profit or Loss</b> | <b>1.94</b>                    | <b>-</b>                     | <b>1.94</b> |
| Return on plan assets expense/(income)           | -                              | -                            | -           |
| (Gain)/loss from experience changes              | 1.59                           | -                            | 1.59        |

|                                                              |              |             |              |
|--------------------------------------------------------------|--------------|-------------|--------------|
| (Gain)/loss from change in financial assumptions             | (0.65)       | -           | (0.65)       |
| <b>Total amount recognised in Other Comprehensive Income</b> | <b>0.94</b>  | <b>-</b>    | <b>0.94</b>  |
| Benefits paid                                                | (2.04)       | -           | (2.04)       |
| <b>March 31, 2022</b>                                        | <b>13.99</b> | <b>0.01</b> | <b>13.98</b> |

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

| Particulars                        | INR MILLION    |                |
|------------------------------------|----------------|----------------|
|                                    | March 31, 2022 | March 31, 2021 |
| Present value of funded obligation | 13.99          | 13.15          |
| Fair value of plan assets          | 0.01           | 0.01           |
| Surplus of funded plan             | 13.98          | 13.14          |

iii) Sensitivity analysis

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

| Assumption                    | Impact on defined benefit obligation<br>March 31, 2022 |         |
|-------------------------------|--------------------------------------------------------|---------|
|                               | %                                                      | Rs      |
| <b>Discount rate</b>          |                                                        |         |
| 0.50% increase                | (6.10)                                                 | (13.13) |
| 0.50% decrease                | 6.70                                                   | 14.92   |
| <b>Future salary increase</b> |                                                        |         |
| 0.50% increase                | 6.40                                                   | 14.88   |
| 0.50% decrease                | (6.00)                                                 | (13.15) |

| Assumption                    | Impact on defined benefit obligation<br>March 31, 2021 |        |
|-------------------------------|--------------------------------------------------------|--------|
|                               | %                                                      | Rs     |
| <b>Discount rate</b>          |                                                        |        |
| 1.00% increase                | (12.45)                                                | (1.64) |
| 1.00% decrease                | 15.11                                                  | 1.99   |
| <b>Future salary increase</b> |                                                        |        |
| 1.00% increase                | 14.99                                                  | 1.97   |
| 1.00% decrease                | (12.59)                                                | (1.65) |

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        | INR MILLION    |                |
|--------------------|----------------|----------------|
|                    | March 31, 2022 | March 31, 2021 |
| Less than a year   | 0.75           | 0.24           |
| Between 1- 2 years | 1.92           | 0.31           |
| Between 2- 5 years | 1.13           | 1.78           |
| Over 5 years       | 2.40           | 37.26          |
| <b>Total</b>       | <b>6.20</b>    | <b>39.60</b>   |

#### Capital Management:

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a 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:

| Particulars          | INR MILLION     |                 |
|----------------------|-----------------|-----------------|
|                      | March 31, 2022  | March 31, 2021  |
| Equity share capital | 176.90          | 176.90          |
| Other Equity         | 1,357.09        | 1,174.71        |
| <b>Total Equity</b>  | <b>1,534.00</b> | <b>1,351.61</b> |

#### 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.

| INR MILLION                                                                                                     |                |                |
|-----------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Dividends                                                                                                       |                |                |
| Particulars                                                                                                     | March 31, 2022 | March 31, 2021 |
| Dividends not recognised at the end of reporting period (including dividend distribution tax / TDS on dividend) | 10.61          | 7.08           |

The Board of Directors have recommended the payment of a final dividend of Re. 0.60 per fully paid equity share of Rs. 10.00 each (March 31, 2021- Re 0.40). This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.

#### Corporate Social Responsibility (CSR)

- a) 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 Rs. 3.27 Mn/- (Previous Year: Rs. 4.45 Mn/-) has been spent in the year ended March 31, 2022. Gross amount required to be spent by the Company during the year: Rs. 3.51 Mn/- (Previous Year: Rs. 4.21 Mn).

| INR MILLION                                                  |                                                                                                                                                                           |                |
|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| b) Particulars                                               | Year Ended                                                                                                                                                                |                |
|                                                              | March 31, 2022                                                                                                                                                            | March 31, 2021 |
| Amount required to be spend by the Company during the year   | 3.51                                                                                                                                                                      | 4.21           |
| Amount of expenditure incurred on:                           |                                                                                                                                                                           |                |
| (i) Construction / Acquisition of any asset                  | -                                                                                                                                                                         | -              |
| (ii) On purpose other than (i) above                         | 3.27                                                                                                                                                                      | 4.45           |
| Amount required to be set off for the Financial Year, if any | 0.24                                                                                                                                                                      | -              |
| Shortfall/(Surplus) at the end of the year                   | (0.00)                                                                                                                                                                    | (0.24)         |
| Total of previous years shortfall                            | -                                                                                                                                                                         | -              |
| Reason for Shortfall                                         | NA                                                                                                                                                                        | NA             |
| Nature of CSR activities                                     | Promoting Healthcare (including Preventive Healthcare), Promoting Education, Empowering Women, Promoting Water Conservation, Upliftment of Weaker section of the society. |                |

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 Rs. 14.92 Million (Previous Year Rs. 10.04 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 :-

| INR MILLION                                                    |                               |                         |
|----------------------------------------------------------------|-------------------------------|-------------------------|
|                                                                | Particulars<br>March 31, 2022 | As at<br>March 31, 2021 |
| For a period not later than one year                           | 12.00                         | 2.28                    |
| For a period later than one year and not later than five years | 50.58                         | -                       |
| 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, 2022**

| INR MILLION                                       |                   |             |                        |               |
|---------------------------------------------------|-------------------|-------------|------------------------|---------------|
| Particulars                                       | Trade Receivables | Loans       | Other Financial Assets | Total         |
| Gross carrying amount                             | 759.71            | 1.03        | 28.04                  | 788.78        |
| Expected loss rate                                | 0.05%             | 0.00%       | 0.00%                  | 0.05%         |
| Expected credit losses (loss allowance provision) | 0.36              | -           | -                      | 0.36          |
| <b>Carrying amount (net of impairment)</b>        | <b>759.35</b>     | <b>1.03</b> | <b>28.04</b>           | <b>788.42</b> |

**March 31, 2021**

|                                                   |               |             |              |               |
|---------------------------------------------------|---------------|-------------|--------------|---------------|
| Gross carrying amount                             | 638.53        | 1.02        | 27.65        | 667.20        |
| Expected loss rate                                | 0.07%         | 0.00%       | 0.00%        | 0.07%         |
| Expected credit losses (loss allowance provision) | 0.43          | -           | -            | 0.43          |
| <b>Carrying amount (net of impairment)</b>        | <b>638.10</b> | <b>1.02</b> | <b>27.65</b> | <b>666.77</b> |

## 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

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

| March 31, 2022                     | Upto 1 year     | 1 to 3 years  | 3 to 7 years  |
|------------------------------------|-----------------|---------------|---------------|
| <b>Non- derivative liabilities</b> |                 |               |               |
| Trade Payables                     | 313.23          | -             | -             |
| Borrowings                         |                 |               |               |
| Long Term*                         | 176.99          | 332.49        | 168.39        |
| Interest                           | 48.86           | 31.59         | 16.00         |
| Short Term                         | 763.10          | -             | -             |
| Interest                           | 54.13           | -             | -             |
| Other Financial Liabilities        | 21.75           | -             | -             |
| <b>TOTAL</b>                       | <b>1,378.06</b> | <b>364.07</b> | <b>184.39</b> |

| March 31, 2021                     | Upto 1 year     | 1 to 3 years  | 3 to 7 years  |
|------------------------------------|-----------------|---------------|---------------|
| <b>Non- derivative liabilities</b> |                 |               |               |
| Trade Payables                     | 259.29          | -             | -             |
| Borrowings                         |                 |               |               |
| Long Term*                         | 128.44          | 323.07        | 237.11        |
| Interest                           | 39.47           | 30.69         | 22.53         |
| Short Term                         | 675.56          | -             | -             |
| Interest                           | 53.26           | -             | -             |
| Other Financial Liabilities        | 29.08           | -             | -             |
| <b>TOTAL</b>                       | <b>1,185.40</b> | <b>353.76</b> | <b>259.63</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.

#### NOTE 43: OTHER STATUTORY INFORMATION FOR THE FINANCIAL YEAR 2021-22

- i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Company is not declared wilful defaulter by any bank or financial institution or lender during the year.
- viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ix) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- x) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- xi) The Company does not have any transactions with companies which are struck off.

## ADDITIONAL REGULATORY INFORMATION - RATIOS

| Ratios                                 | Numerator                        | Denominator                                                          | March 2022 | March 2021 | Variance | Reason for Variance                                                 |
|----------------------------------------|----------------------------------|----------------------------------------------------------------------|------------|------------|----------|---------------------------------------------------------------------|
| Current Ratio (in times)               | Total Current Assets             | Total Current Liabilities                                            | 1.49       | 1.55       | (3.67)   |                                                                     |
| Net Debt Equity Ratio (in Times)       | Total Debt                       | Total Equity                                                         | 0.94       | 1.01       | (6.93)   |                                                                     |
| Debt Service Coverage Ratio (in Times) | EBIDTA                           | Debt service = Interest & lease payments                             | 0.31       | 0.19       | 59.92    | Increase in EBITDA and decrease in debt payout the current year     |
| Return on Equity                       | Net Profit                       | Total Equity                                                         | 12.41      | 5.68       | 118.52   | Increase in profit in the current year                              |
| Inventory Turnover Ratio (in days)     | Inventory                        | Revenue from Operations (Net)                                        | 82.00      | 120.00     | (31.67)  | Higher inventory turnover and increase in sales in the current year |
| Debtors Turnover Ratio (in days)       | Debtors                          | Revenue from Operations                                              | 54.00      | 65.00      | (16.92)  |                                                                     |
| Trade Payable Turnover Ratio (in Days) | Trade Payables                   | Total Purchase                                                       | 40.00      | 37.00      | 8.11     |                                                                     |
| Net Capital turnover ratio             | Revenue from Operations (Net)    | Working Capital                                                      | 6.93       | 4.56       | 51.97    | Increase in sales in the current year                               |
| Net Profit Ratio(%)                    | Net Profit before Tax            | Revenue from Operations (Net)                                        | 5.92       | 3.66       | 61.75    | Increase in profit in the current year                              |
| Return on Capital Employed(%)          | Earnings before Interest and Tax | Capital Employed = Net Worth + Borrowings + Deferred Tax Liabilities | 14.45      | 8.19       | 76.43    | Increase in EBITDA in the current year                              |

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

K. Daliya (Partner)  
Membership No. 166874  
Place : Silvassa  
Date : 16<sup>th</sup> May, 2022

For and On behalf of the Board  
For EMMBI INDUSTRIES LIMITED

Makrand Appalwar  
(Managing Director)

Kaushal Patvi  
(Company Secretary)

Rinku Appalwar  
(CFO & Director)



Avana's  
Happy  
Family



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