

**EMMBI INDUSTRIES LIMITED
INVESTOR PRESENTATION
Q3, FY 2017-18**



Disclaimer

This is not an investment recommendation, and this presentation contains forward-looking statements, identified by words such as ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘projects’, ‘estimates’ and so on.

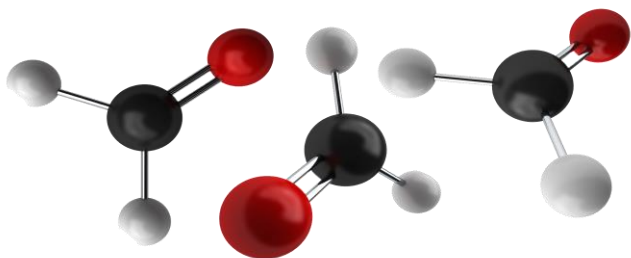
All statements that address expectations or projections about the future, but not limited to the Company’s strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, these are subject to extraneous, as well as other factors. You are required to do your own research prior to making any strategic or commercial decisions based on this presentation. Neither the Company or its Directors, Management and/or Employees can be held liable for decisions made by the readers.

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- C - Polymer Processing Industry : Global Perspective
- D - Recent Innovation at Emmbi



1. Highlights of Q3 FY17-18



I. Key Operating Highlights

Revenue

+16.83%

(9 Months Y-O-Y)

EBIDTA

+112 BPS

(9 Months Y-O-Y)

PAT and EPS

+29.60%

(9 Months Y-O-Y)

- **Innovation: Pilot of “Smart Factory” to control excesses in the Batch Processes using modern IOT technology**
- **Brands: Focus on Rural Brand Development | Special “Small Business Unit” to harness brand growth**

II. Innovation of the Quarter

- **Manufacturing 4.0: Productivity. Machine Learning**
- Successfully Completed on 04 Machines
- Commercial Completion of the project in next 2 Quarters
- Expected Cost around 1.2 Cr. Substantial Cost saving due to Home Developed technology and usage of IOT
- Direct “Man-Machine-Interface” to improve

Manufacturing 4.0 – A Step Forward with State of the Art IOT Technology

III. Our Success Mantra

STRONG RESEARCH



Emmbi Innovation Lab is the only R & D Centre recognized by Ministry of Science and Technology in woven polymer business in India. 14 Patents filed till date

SMART MANUFACTURING

Practicing “Lean” manufacturing technology, With management system an integrated the Smart IOT technology for enhanced efficiencies

EFFICIENT ASSET MANAGEMENT

Consistently improving ROCE, ROA, ROE has translated into value for investor, Improved EPS. We are the most valued woven Polymer Company in India

IV. Investments in R&D begin to pay off



- Govt. of India, Department of Science & Technology Certified
- Filed 14 Patents in past 6 years
- 35 member Dedicated R & D Team
- Approx. 2.5 % of Revenue is allocated as budget
- Helps maintain the target of “20 % Revenue from product developed in past 20 months”

2. Financial Performance



Sustained growth across all financial parameters

(₹ Millions)	2013	2014	2015	2016	2017	9M 2017	9M 2018
Revenues	1,474.72	1,680.32	1,929.10	2,176.66	2,409.89	1741.86	2035.09
EBIDTA	126.09	154.17	202.26	269.64	299.46	209.55	255.87
PAT	32.42	43.34	59.65	105.95	127.28	86.41	111.99
EPS	1.91	2.45	3.37	5.99	7.20	4.88	6.33
BV	30.73	32.89	35.86	41.24	48.44	46.13	54.17

200+ Clients

45% Exports

40+ Products

14 Patents

Increase	2013	2014	2015	2016	2017	9M 2017	9M 2018
Increase in Revenue %	40.52	13.94	14.81	12.83	10.72	9.98	16.83
EBIDTA %	9.01 %	9.69%	10.99%	12.97 %	13.07%	12.64%	13.75%
Increase in PAT %	-2.02	33.70	37.62	77.63	20.13	25.42	29.60

3. Product Verticals



We operate across four verticals



Water Conservation

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

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

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



Advanced Composites

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

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

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



Specialty Packaging

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

Currently accounting for the bulk of our products, the Specialty Packaging division caters to a wide array of industries, from food and pharma to chemicals, cement and more – to transport and store materials.



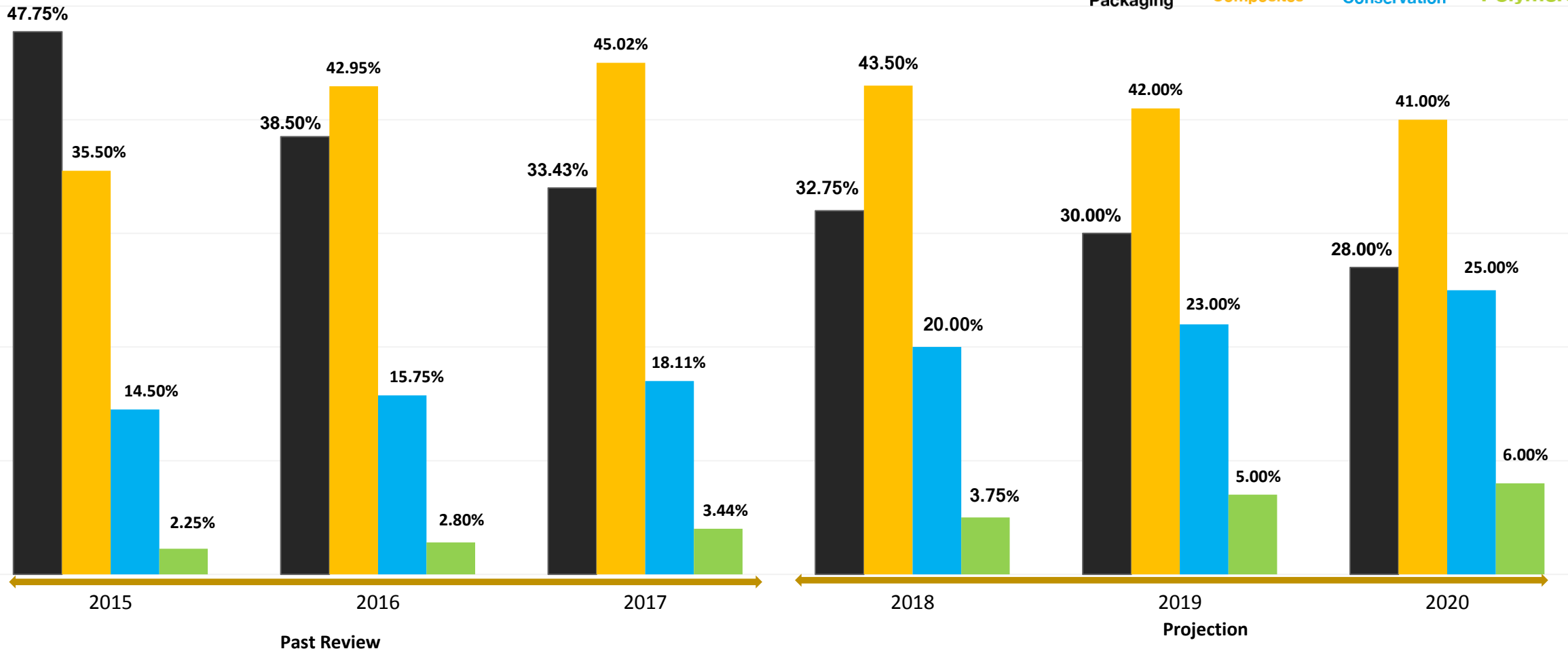
Agro Polymers

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

Products manufactured by the Agro Polymer division are marketed under the Krishirakshak name. These focus primarily on crop protection and de-risking the farmer from the weather.

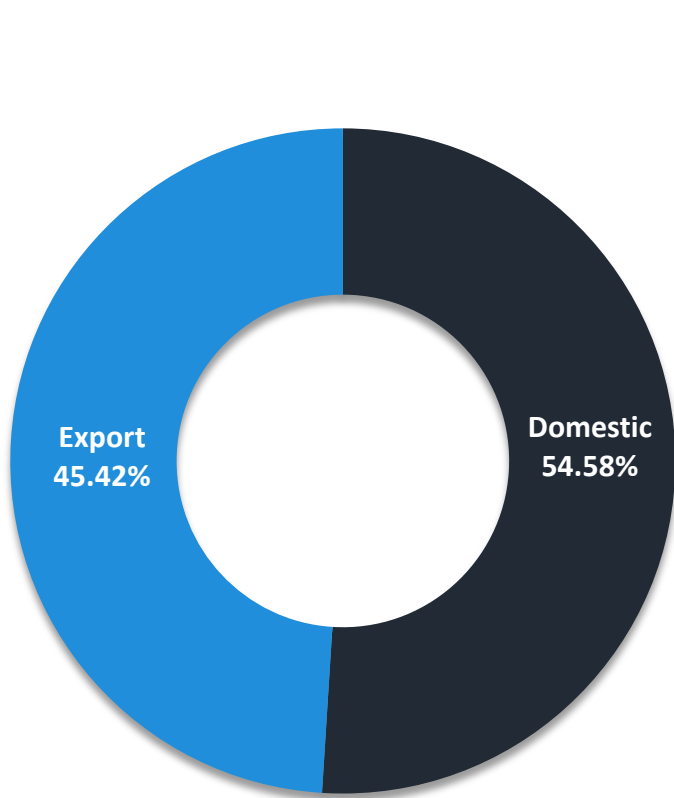
Typical applications include Mulch Films, Crop Covers and flexible pipes.

Revenue breakdown

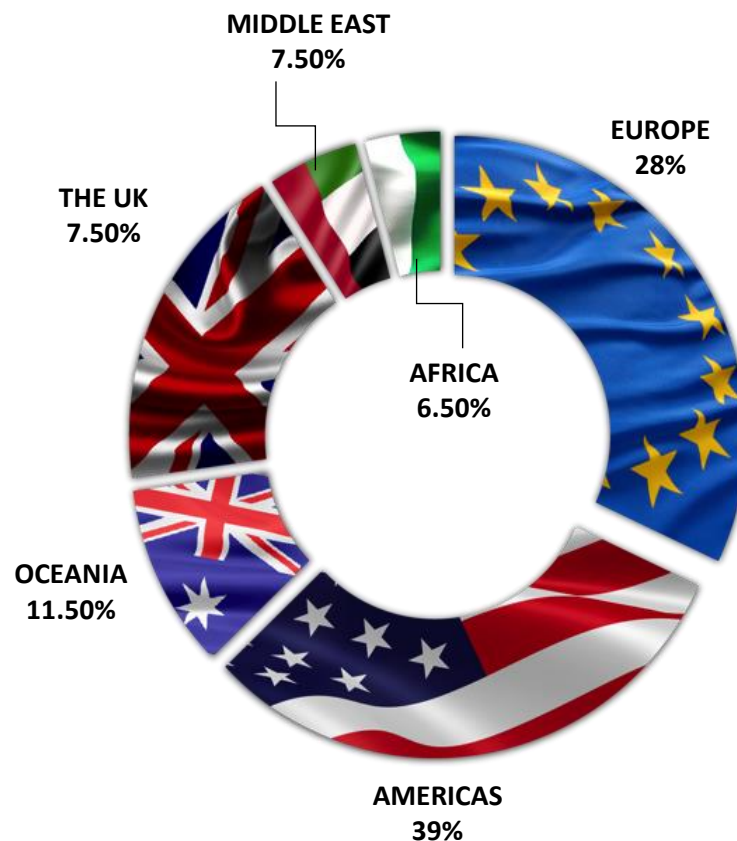


Business by geography and vertical

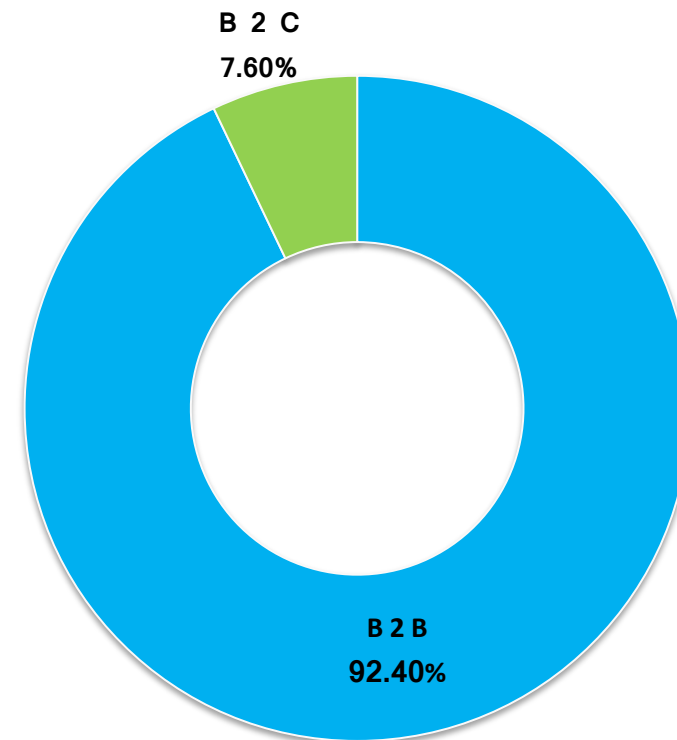
- Government’s large thrust for water conservation products in rural economy
- Leveraging experience based on huge success of our unique products - collapsible water tanks, crop covers, pond liners
- Increasing awareness among farmers through our new brands “Emmbi Jalasanchay” and “Emmbi Krishirakshak”



BUSINESS SPLIT AS OF 31st DEC, 2017



EXPORT : GEOGRAPHIC SPREAD



BUSINESS SPLIT : B2B vs B2C

4.The Water Opportunity



Pic :Actual image of Emmbi Pond in the Desert of Jaisalmer, State Rajasthan, India.

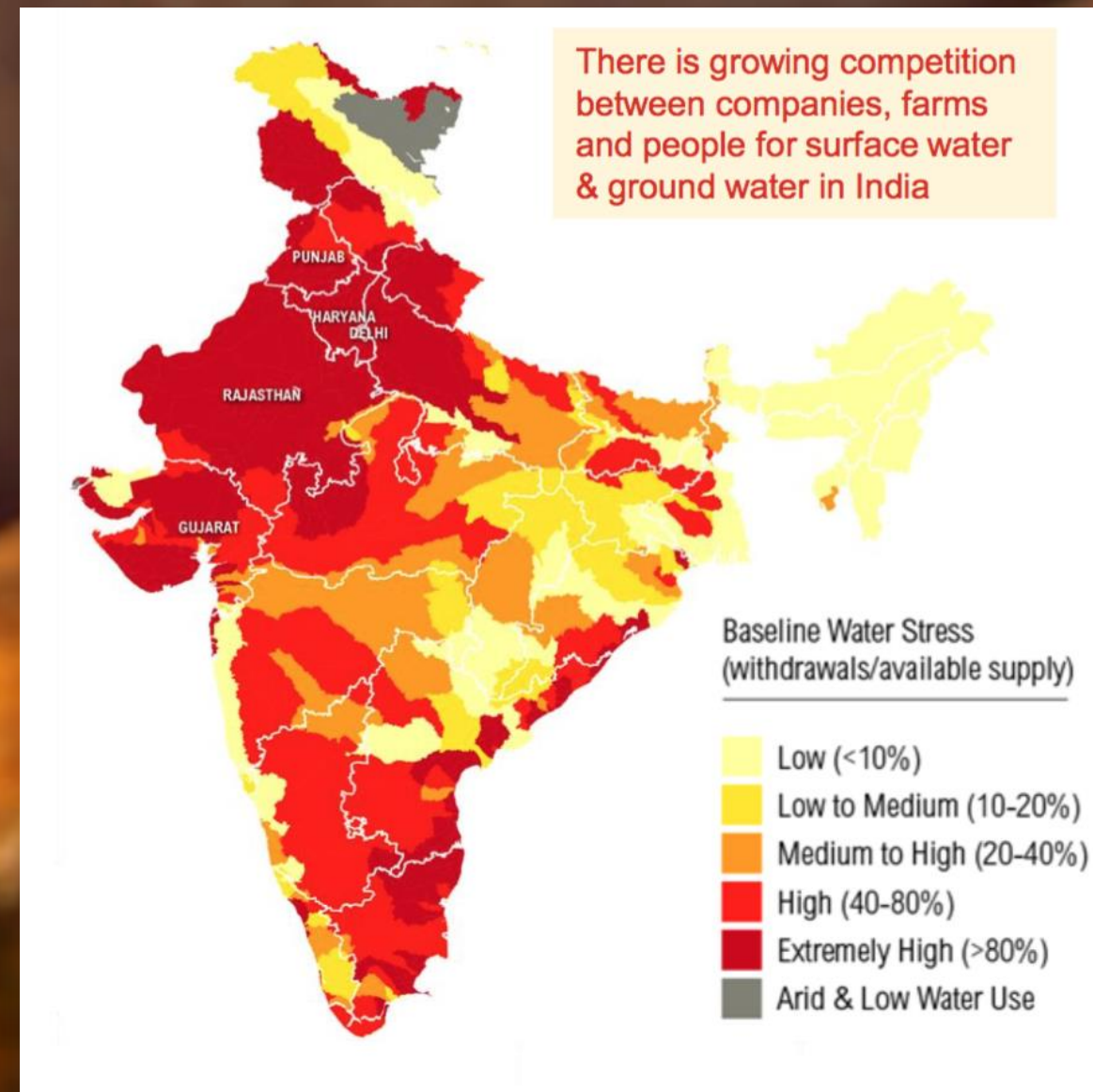
India's rural growth is fraught with challenges

Water, a primary concern

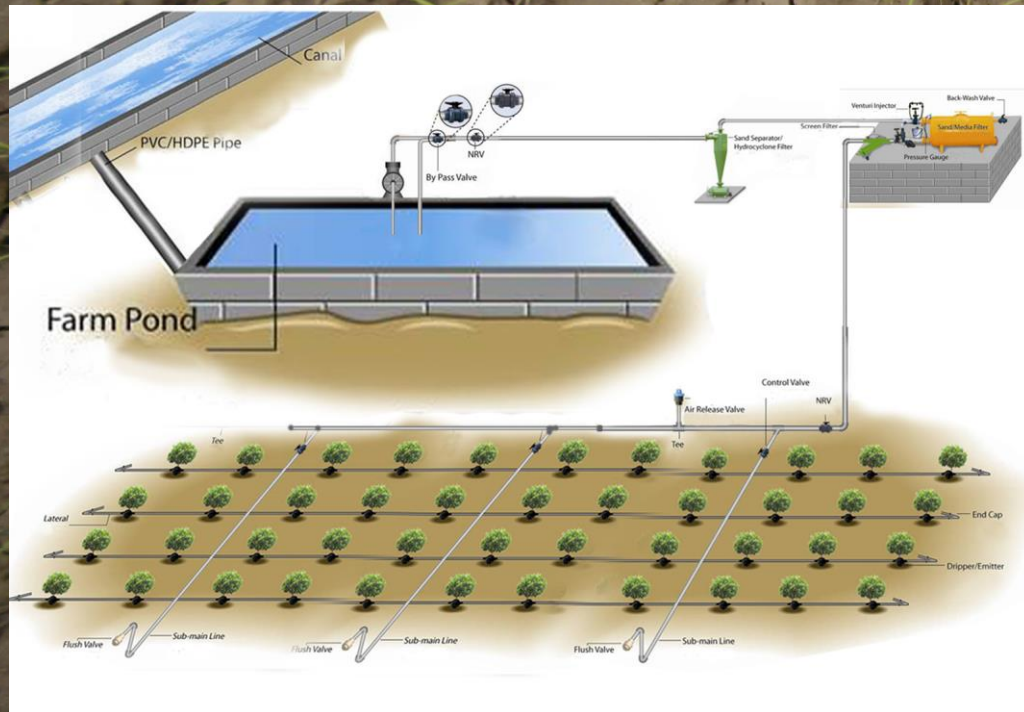
~54%

India lives faces high to very high water stress*

* Source: Water Resources Institute

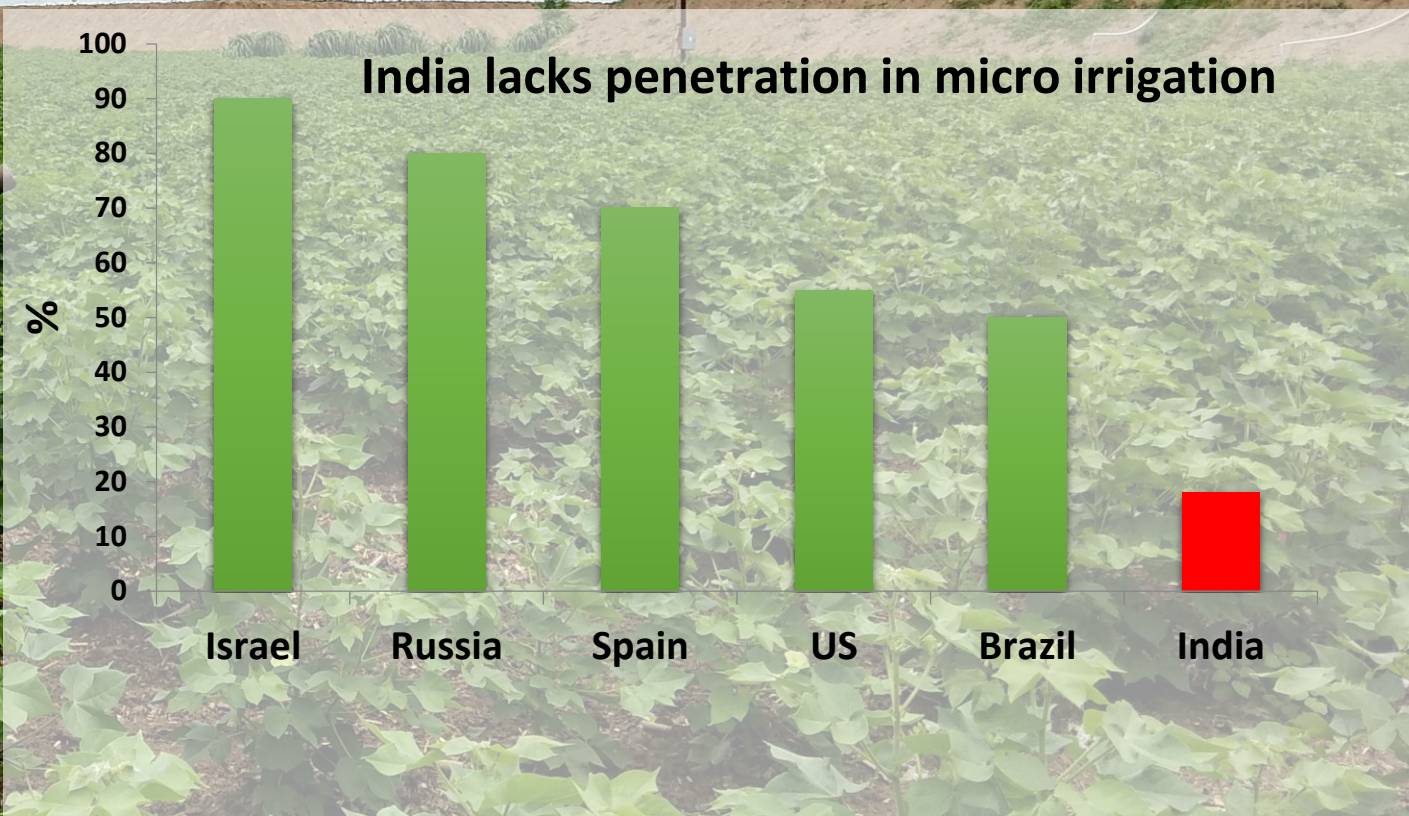


Ponds are an important ingredient new-age micro irrigation



- Pond a Stagnant source of water is first building block of micro irrigation
- Depletion in underground water table causing conventional wells & borewells unviable
- Govt. mandating certain crops must be micro-irrigated (Sugarcane, Fruits)
- Potential of Micro Irrigation is 69 mn hectares
- Present penetration is around 9 mn hectares
- Less than 20 % of them have ponds

Significant headroom for growth: India still lags the world in micro-irrigation



Actual image taken at Pahur, Jalgoan, Maharashtra, India.

*Source: 2011 Census, Govt of India # Source: KPMG's Indian Economic Survey, 2014-15

Indian Government's mission: Double Farmers income by 2020

A number of programs announced:

- “Jalayukta Shivar” Yojana
- “Magel Tyala Shettale” Yojana
- e-National Agricultural Market
- Pradhan Mantri Krishi Sichai Yojana



Emmbi has a role to play...

What we've achieved

3,300 Hectares

1650 ponds

2 states

18 months

1 Pond Every 8 Hours

We believe we can

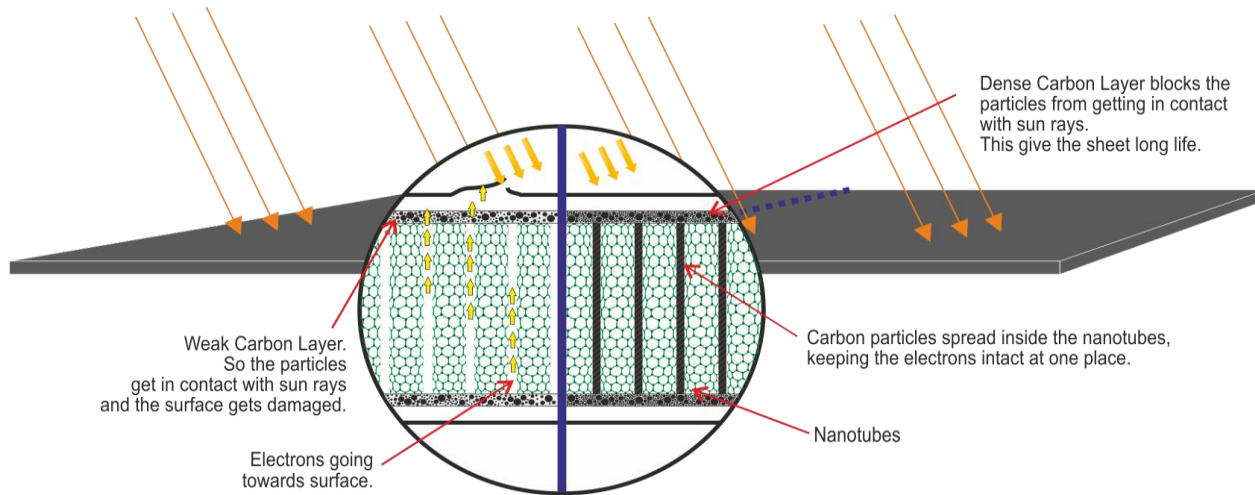
One Pond Every Hour

With existing capacity

4 more states in next 3 Years

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

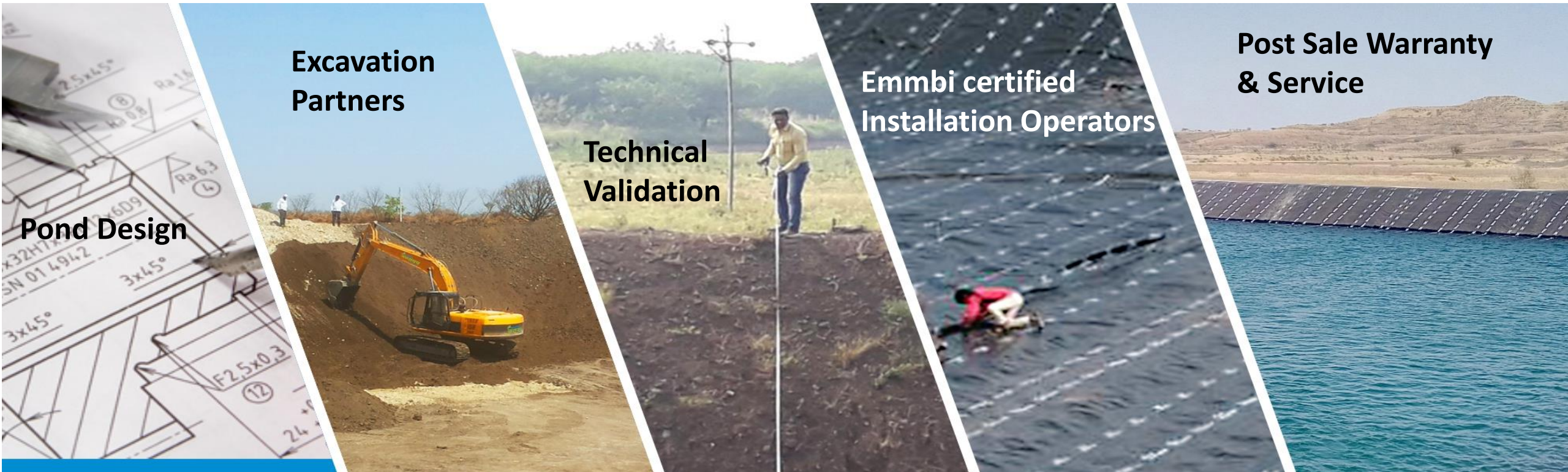
Our technology gives us the edge



A Special Woven Polymer Based Pond Liner with worlds widest width to reduce joints and improve effectiveness

An Ecosystem to support our growth

Complete End-to-End Solution: Pond Design, Excavation Partners, Technical Validation, Product Supply, Emmbi Certified Installation Operators, Post Sale Warranty & Service Team



Our Brand gives us the competitive edge

Creating a Brand Emmbi synonyms to water storage



Village Meetings



Wall Painting



Agro-Exhibitions

Allied Products to sustain future growth

- Setting up a wholly owned subsidiary “**Emmbi Watcon**” to create a special focus on Canal Liner to improve the efficiency of the large Dams
- Flexi tanks for the Rural Transportation
- Evaporation Management for improving the Storage Efficiency





Apdx.A, B & C

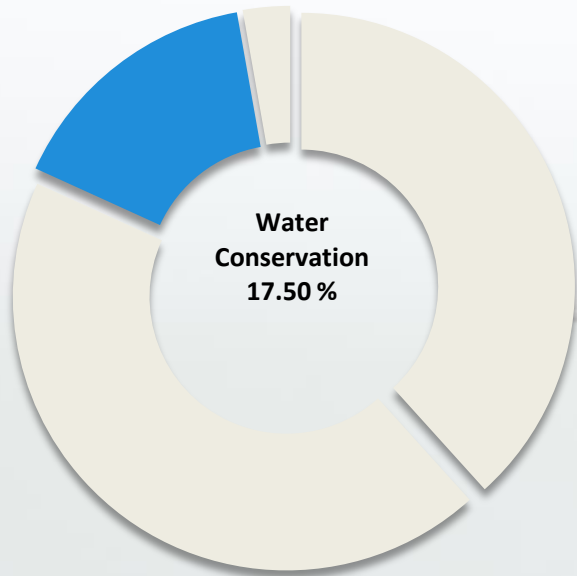


Water
Conservation

Helped irrigate **3,300 Hectares** of crops using **1650 ponds** in 2 states of India in past **18 months**

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

Product snapshot



Pond Liner



Check Dam

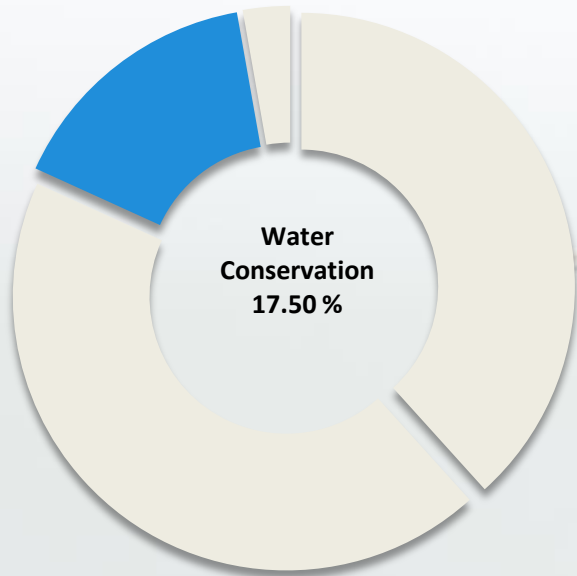


Canal Liner



Collapsible Pipe

Product snapshot



Cycle Tank



1000 Liter Flexi Tank



500 Liter Standing Tank



Open Flexi Tank

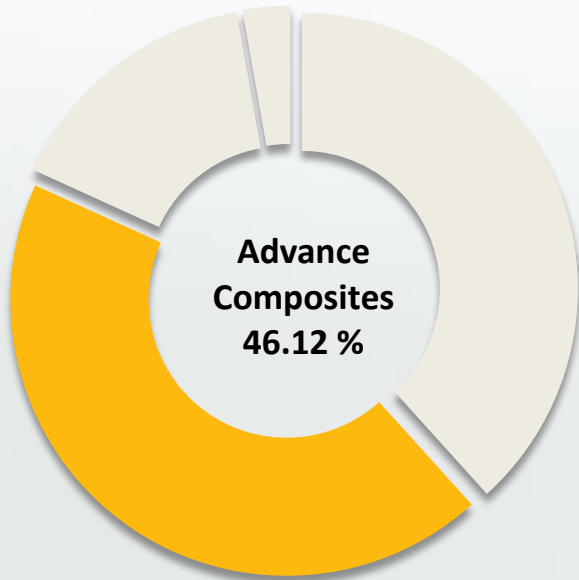


Advanced
Composites

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



Product snapshot



UN Certified FIBC



Application of UN Certified FIBC



Water – Slug Separator

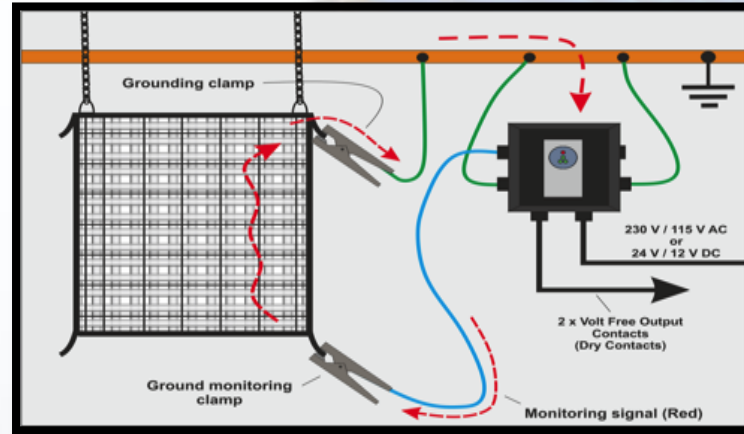
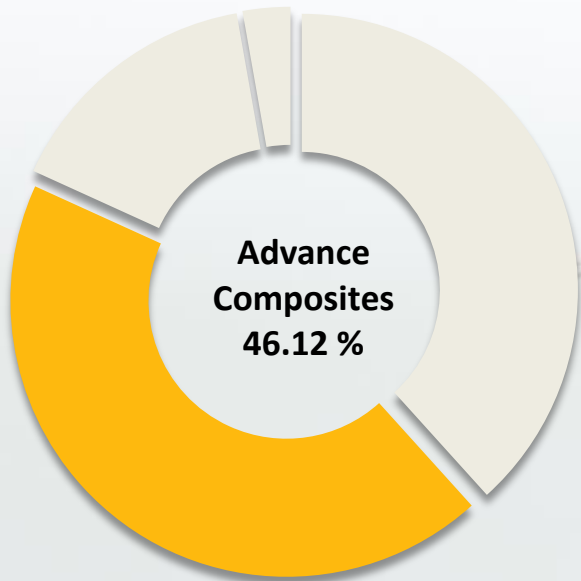


Application of Anti Carcinogenic Packaging



Nuclear Power plant Waste Disposal

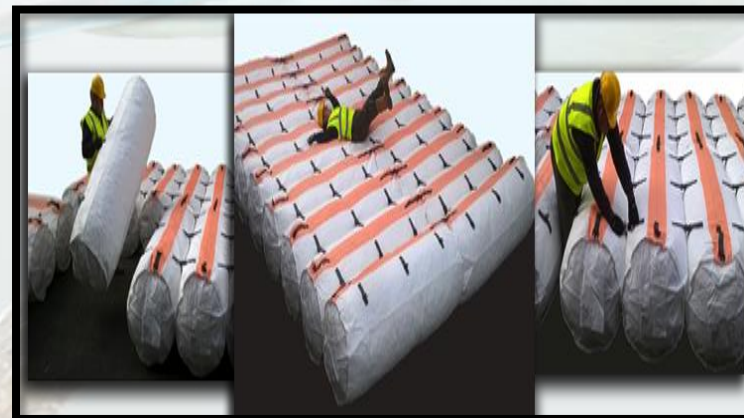
Product snapshot



Electrically Conductive Polymer



Anti-Corrosive VCI Films



Application for Fall Arrest



Anti Corrosive Fabric



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

Product snapshot



Specialty
Packaging



Construction FIBC



Application of Construction FIBC

**Bulk Packaging with
lowest carbon foot print
only**

**0.7 gm polymer can hold
up to 1 kg of Material**



Packaging Barrier Films

Product snapshot



Specialty
Packaging



“Form Stable” Conductive



Liquid & Solid Container Liner



Urban Waste Disposal

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

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

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

Product snapshot



Mulch Film



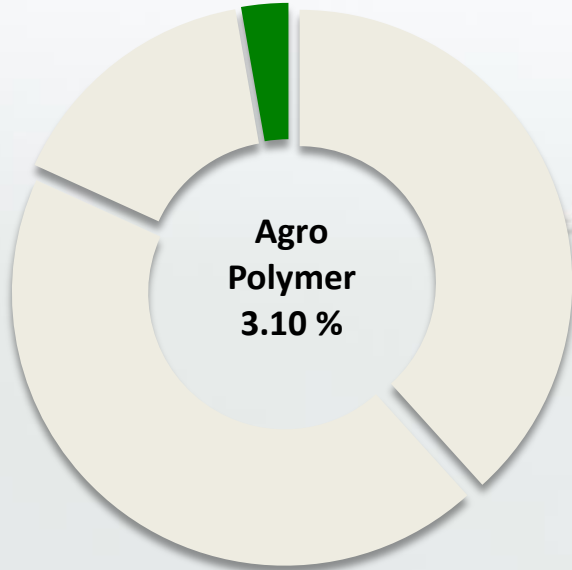
Crop Cover



Silage Incubator



Shade Net



INNOVATION AT EMMBI



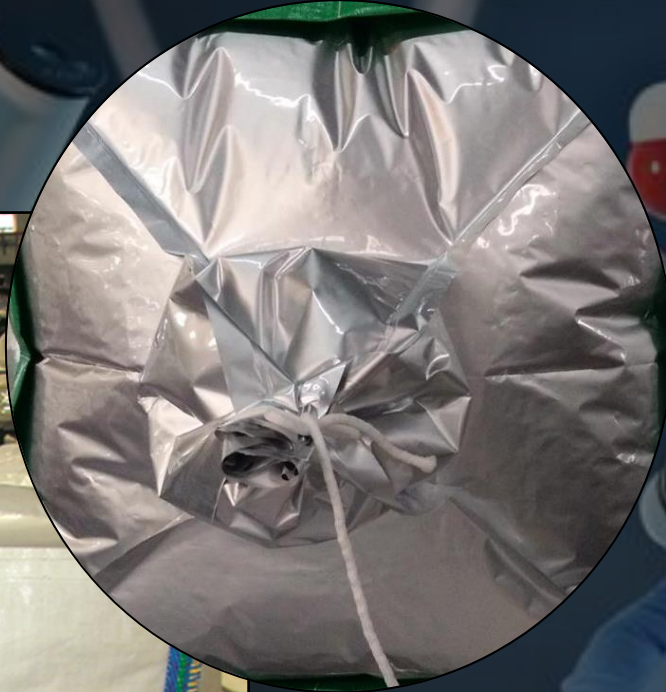
Early successes



Poultry Curtain (Agro Polymer)

- **Application:** Poultry Industry. Poultry Curtain is a low-cost light polarizer to improve the growth of chicks.
- What they use Conventionally?: Electric Bulbs or Yello Fabric
- **What's unique:** We have designed the product which can filter a light of the particular frequency which helps in the growth of the chicks.
- **Market Potential in focus area:** Rs. 20.00 Crores Per Annum.

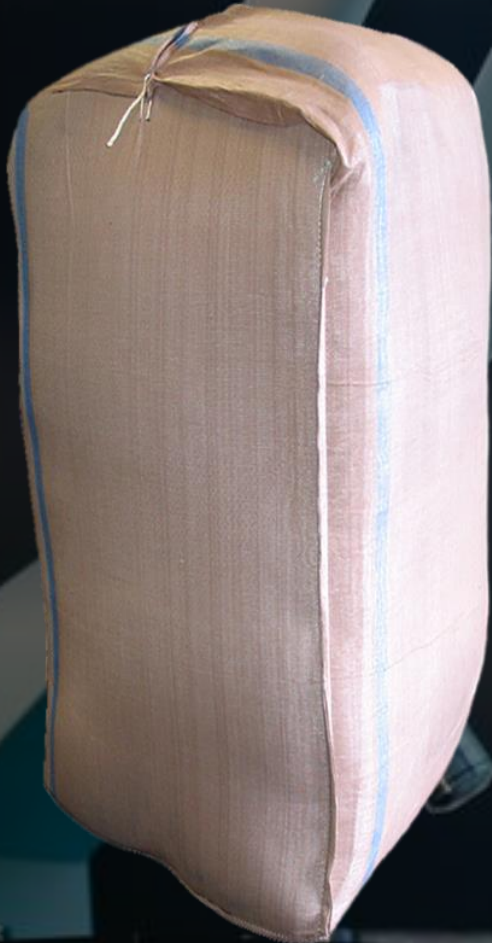
Early successes



Coffee Bag (Advanced Composites)

- **Aroma Lock:** A specialized technology using aluminum film, that helps preserve freshness of food
- **Application:** transportation of Coffee, Tea and similar commodities that need to keep retain their natural aroma and flavors
- A super convenient sealing mechanism helps on-site filling of the material on farms

Early successes



Wool Pack (Advanced Composites)

- **Application:** Contamination-free packaging of raw wool
- **Why it's better:** traditionally, wool was packed in nylon packaging which is very expensive. We developed a special blend of polymer that offers all the conventional woolpack benefits at half the cost
- Wool Pack has been designed and developed by Emmbi Innovation lab, based on standards defined by various Wool Exchange Authorities across the globe.
- **Potential:** Global wool production is about 2 million tonnes per year hence the scope for woolpack is massive.

Early successes

Animal Discharge Route



Patent Pending - TEMP/E-1/33242/2017-MUM

Helps trapped animals and reptiles to quickly and safely exit farm pond

Anti-Evaporation Cover



Patent Pending - TEMP/E-1/33245/2017- MUM

Ultra-light UV stabilized HDPE fabric Greatly reduces losses of water to evaporation

Water Landing Strip



Patent Pending - TEMP/E-1/33249/2017-MUM

Protects your pond liner panels from being degraded by the pressure exerted by water falling from a height.

Dead Weight Pipe



Covers a larger area than a traditional cement bag
Long Life (UV stabilized)

Pond Lining Accessories

These Patented products further enhance the performance of the pond liner by offering safety and saving of water by evaporation loss

Our philosophy on sustained future growth

- A focus on need identification, rather than being product-focused
- Unrelenting focus on R&D capabilities for a continuous new product pipeline
- Unique processes that are difficult to replicate
- Focus on automation to ensure optimal manpower utilization
- Continuous training, development and up-skilling to ensure higher output per employee, and lower attrition
- Expanding beyond the B2B space with investment in building strong brands like Jalasanchay (for water conservation) and Krishirakshak (for crop protection)

Our philosophy on sustainability



Emmbi's brand philosophy of **Brighter Every Way** translates naturally to Sustainability.

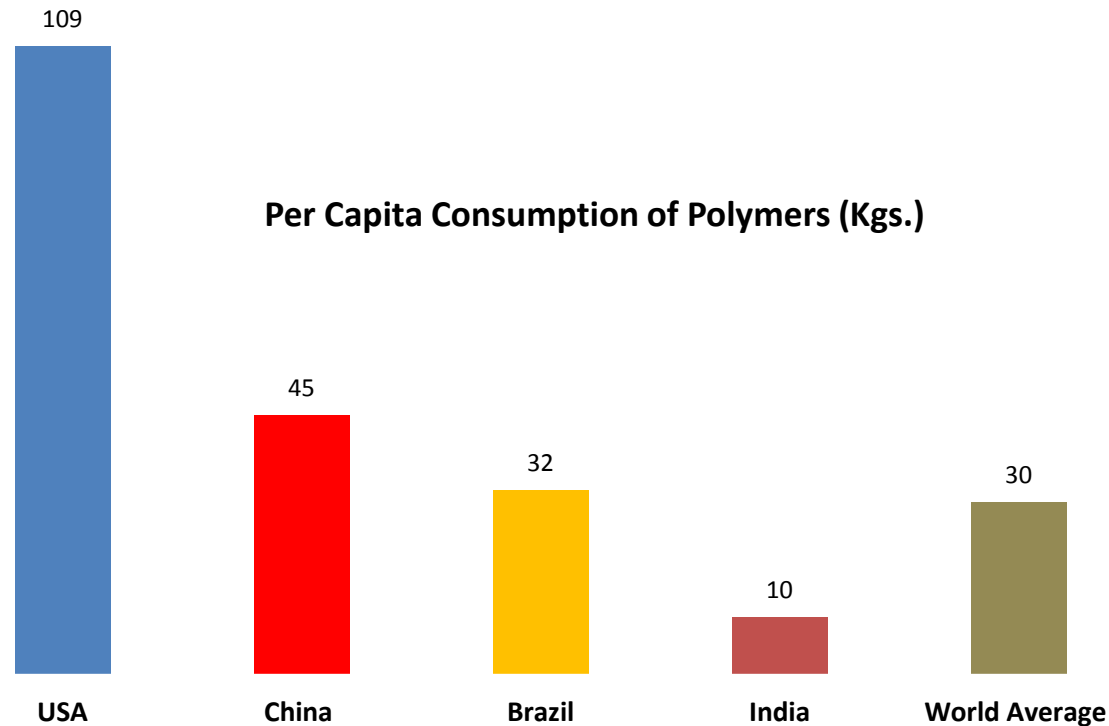
However, to us, sustainability goes beyond the commonly understood one-dimensional, "environment-friendly" meaning.

To us it means:

- **Sustained Business Growth**
- **Happy Stakeholders**
- **Responsible Business Practices**

Our business focuses on each of these, to create sustainable returns

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



INDIA LAGS THE WORLD IN POLYMER CONSUMPTION

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

URBANIZATION TO DRIVE CONSUMPTION

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

(source : Global Polymer News)

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

Conventional applications

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



Modern applications

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

New Applications

Polymer Pond Liner
Crop Covers
Pneumatic Safety Systems
Woven Polymer “Lapeta Pipe”

THANK YOU

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