

# Emmbi Industries Limited

## Investor Presentation

### FY 2019-20



## Disclaimer

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

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

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# 1. Q1FY 2020 – Highlights



# At a Glance

## FY20 Projections

## Achievements in Q1-FY20

### Financial Performance

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

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

### Operational Performance

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

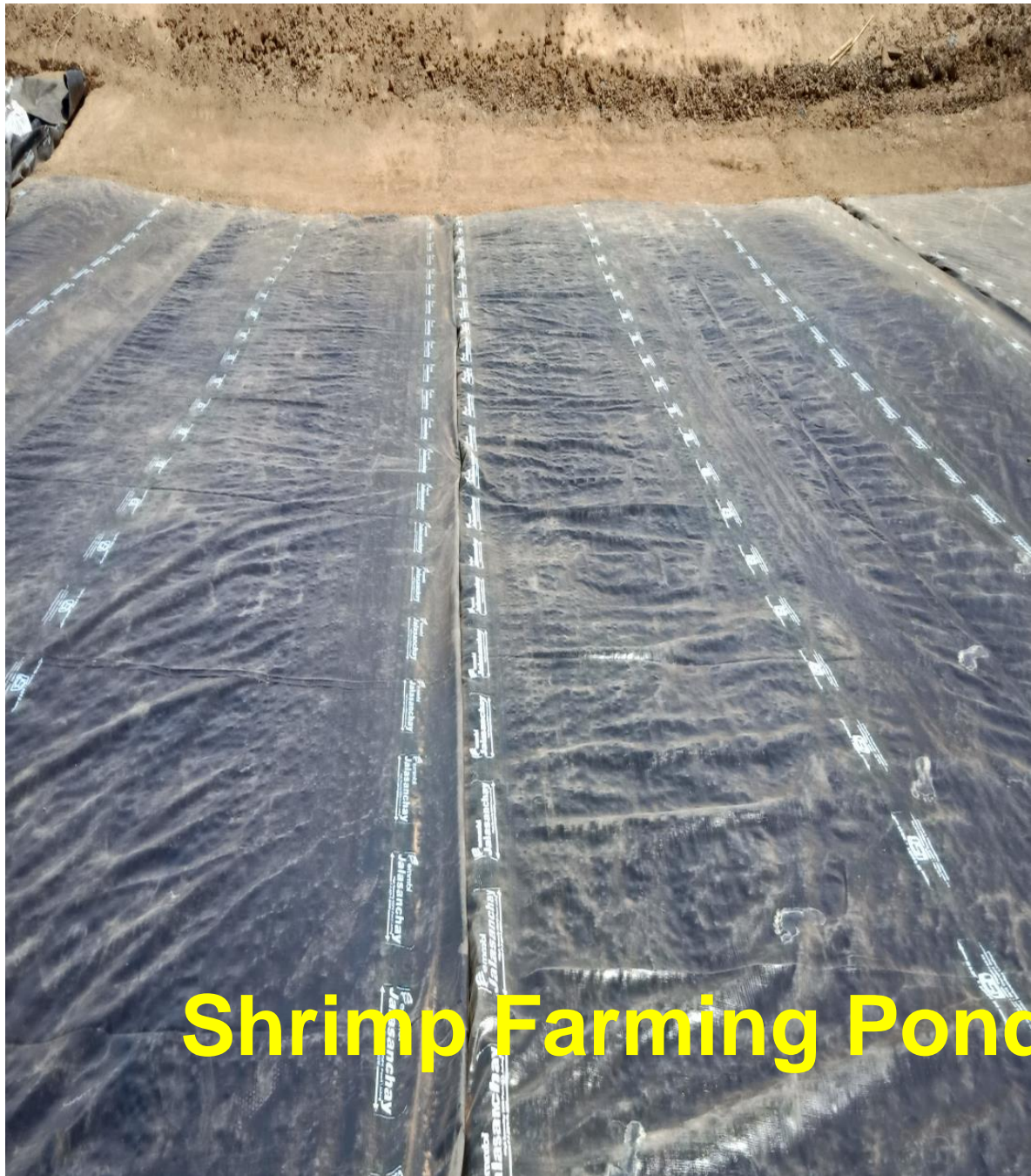
Average Ponds per day: 12  
Share in topline of B2C Vertical: 22 %  
Added 6 Districts of Karnataka and 4 of MP and Growing

### Innovation & Highlights

Aim to Launch New Product, Service or Sector of Distribution

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





**Shrimp Farming Pond Under Construction**



# Avana awarded Best CSR Idea of the Year



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

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

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

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





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

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

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

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

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



## 2. Financial Performance





# Financial Performance



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

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

# 3. Product Verticals and Growth Drivers





# Business Verticals

## Emmbi caters to a \$73 Billion Global Market



### Specialty Packaging

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

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



### Advanced Composites

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

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

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



### Water Conservation

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

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

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



### Agro Polymers

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

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

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

# Growth Drivers



**Specialty Packaging**



**Advanced Composites**



**Water Conservation**



**Agro Polymers**

**Strengthen B2B Base**

Consolidate across industry verticals

**Increased share of Value Added Products**

Focus on margin expansion through better acceptance of value added products

**Expand B2C Vertical**

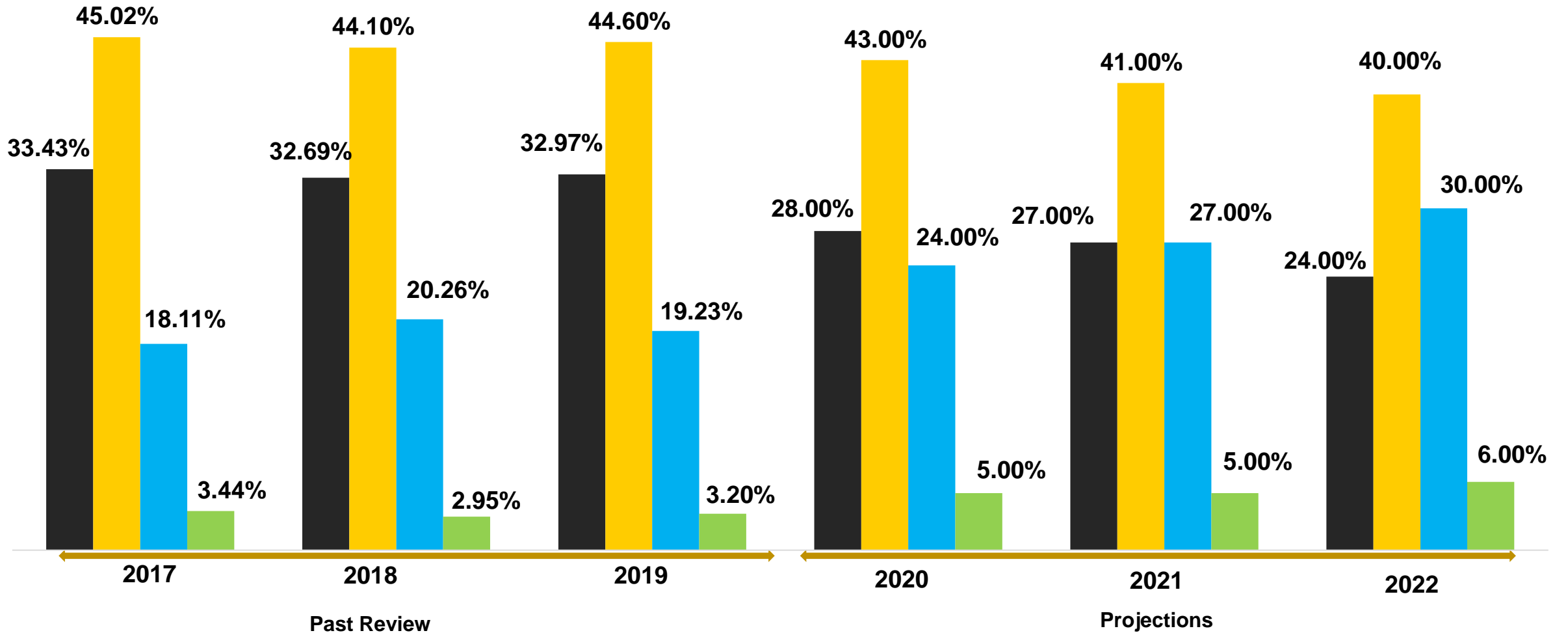
Develop advanced products in B2C segment to drive margins

**Shift in Buying Pattern**

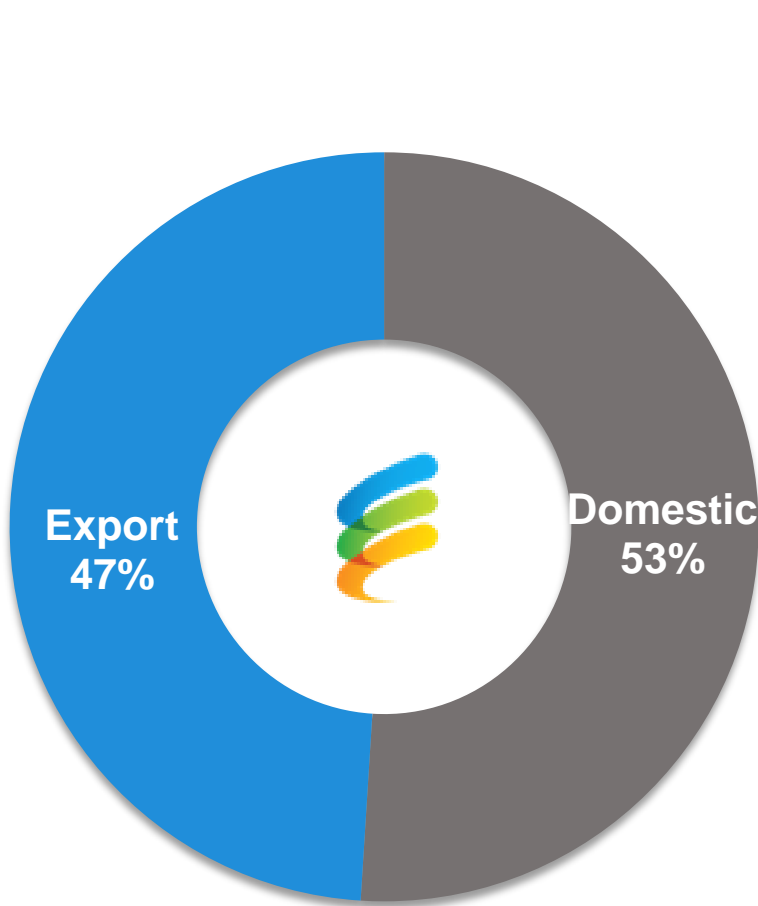
Cater to greener, cleaner and efficient crop protection technology



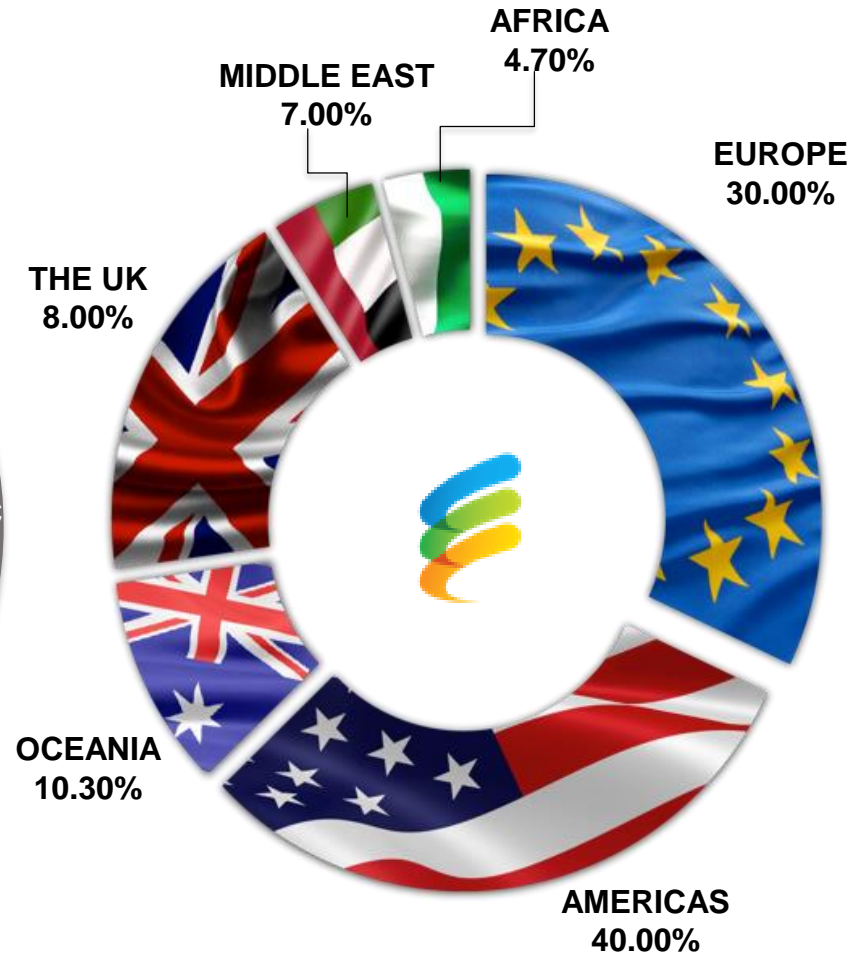
# Emmbi Revenues by division



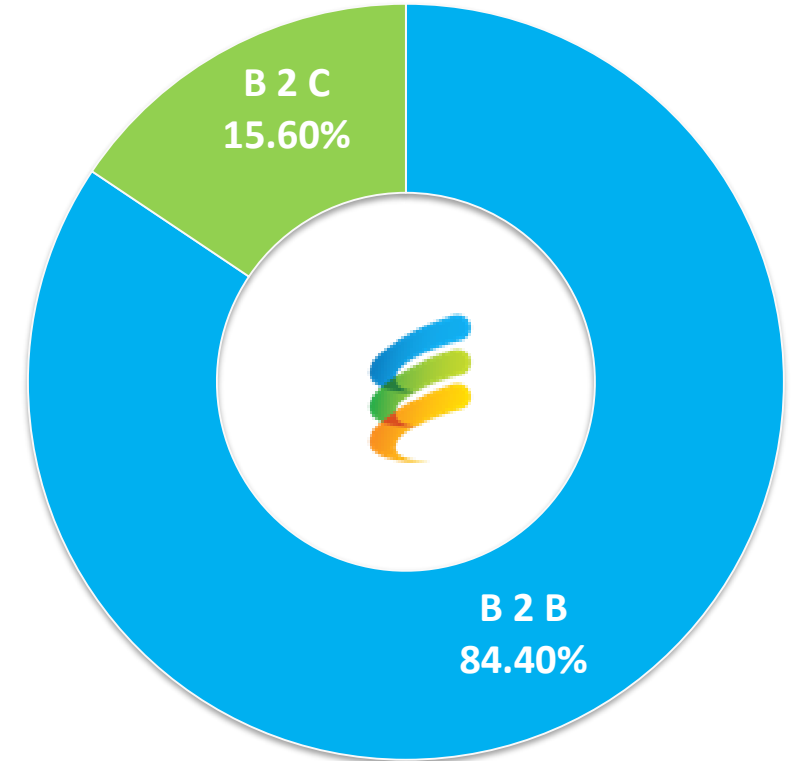
# Revenues Split



**Market Wise Split**  
As on 31<sup>st</sup> March 2019



**Export Geographies**  
% of Export Sale



**Division Business Split**  
B2B vs B2C

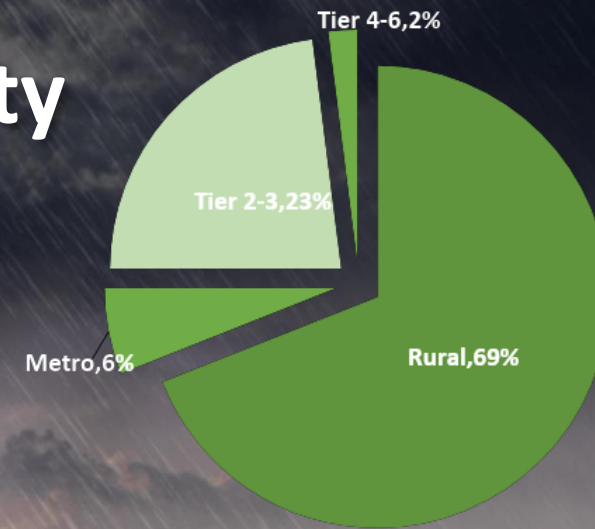


# 4. Future Outlook – The Focus on Water





# The Rural Market: A Huge Opportunity



**68.8%**

of India is dependent on agriculture

**Only 14%**

has certainty of income through micro irrigation



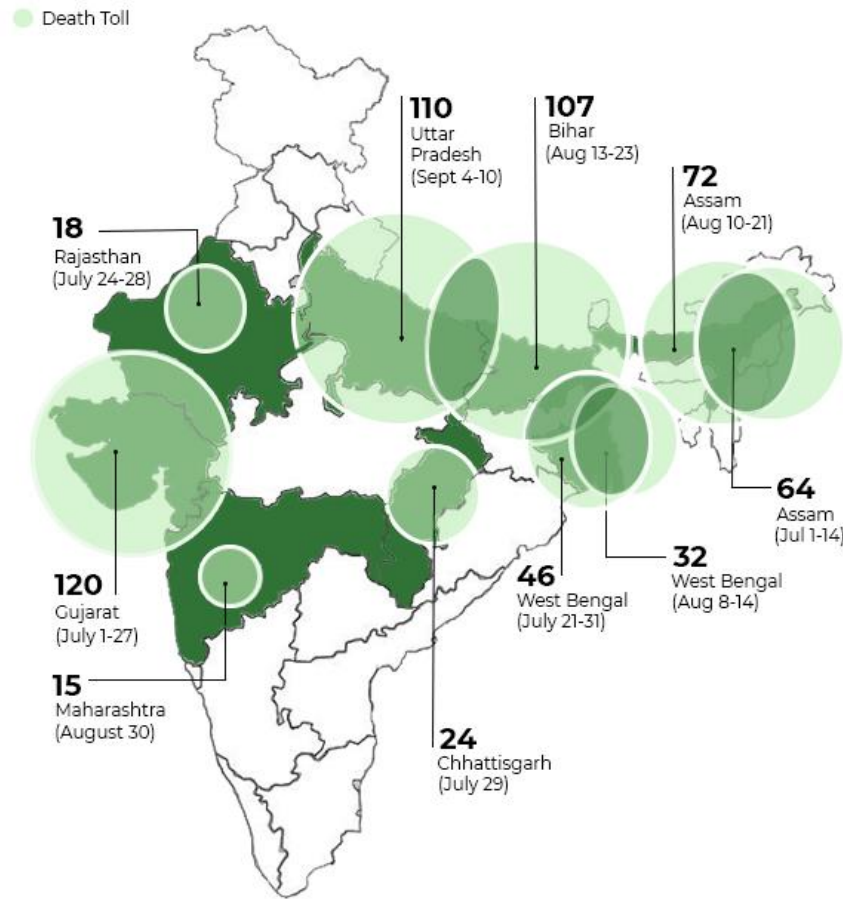
# The Challenge: A Severely Changing Rainfall Pattern

Water, a primary concern

# ~54%

India lives faces high to very high water stress\*

Sudden downpours are useless for farmers, unless rainwater is conserved



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

\* Source: Water Resources Institute





Change in rainfall  
pattern



Reduction in sub-  
surface absorption




Less disburseable  
water for use



Increased water  
scarcity

**The problems caused by sudden downpours**



A wide-angle photograph of a rural landscape. In the foreground, there are large, dark brown, rounded boulders scattered across a grassy slope. In the middle ground, a large, rectangular, light-colored pond is visible, surrounded by trees and a few small buildings. The background shows rolling green hills under a cloudy sky.

# Our Solution: Capturing surplus rainwater



# Saving Water

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

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



# Jalasanchay: Results so far

## What we've achieved

- 6000+ Ponds
- 12,000 Hectares of Land Irrigated
- 4 states
- 36 months
- 11 ponds per day!

We believe we can create

**One Pond Every Hour**

With existing capacity  
5-7 states in First 5 Years

**Impact Film Link**

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

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





**AquaSave Canal Liner prevents percolation losses in clay canals.**

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





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

**We have created 70 such tanks this year!**

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



# Appendix A. Product Profile of Emmbi







Water  
Conservation



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

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



# Product Snapshot



Pond Liner



Check Dam



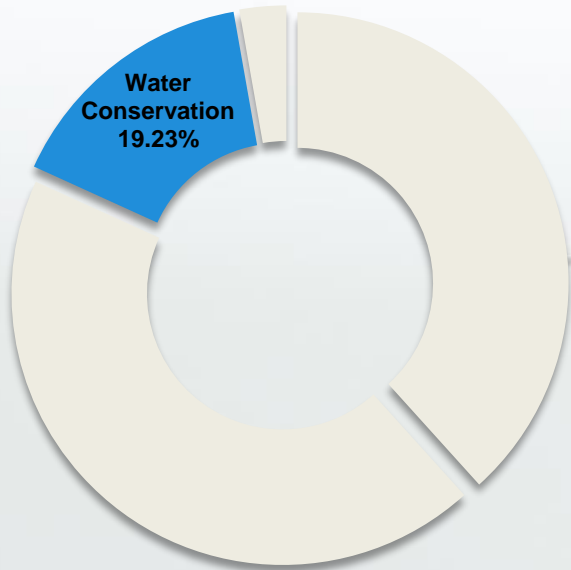
Canal Liner



Collapsible Pipe



# Product Snapshot



Cycle Tank



1000 Liter Flexi Tank



500 Liter Standing Tank



Open Flexi Tank

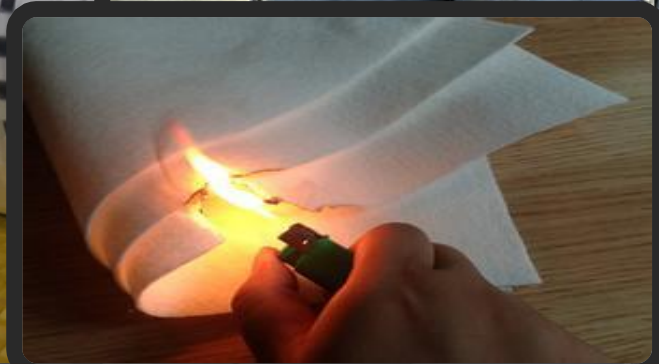
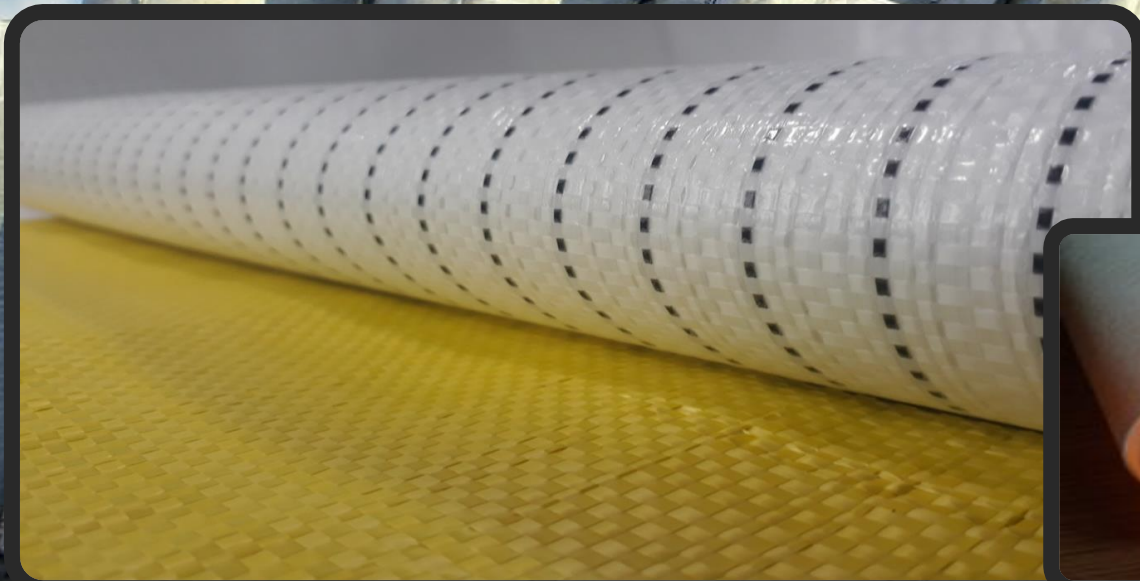




Advanced  
Composites

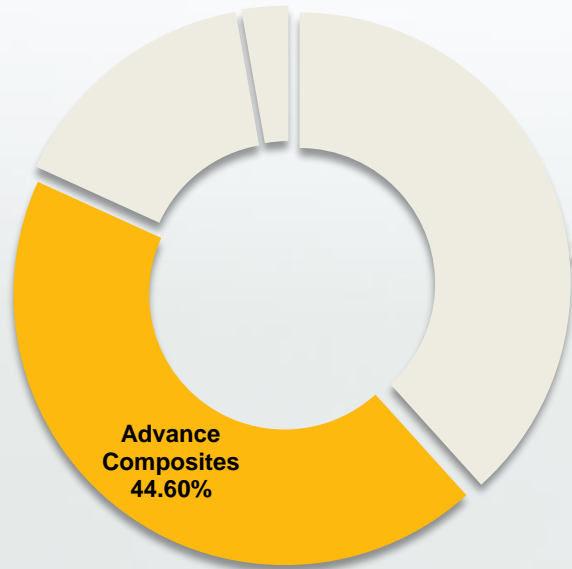


Helped to **protect priceless lives and assets worth Billions** with our **Advanced Composite Range**





# Product Snapshot



UN Certified FIBC



Application of UN Certified FIBC



Water – Slug Separator



Application of Anti Carcinogenic Packaging

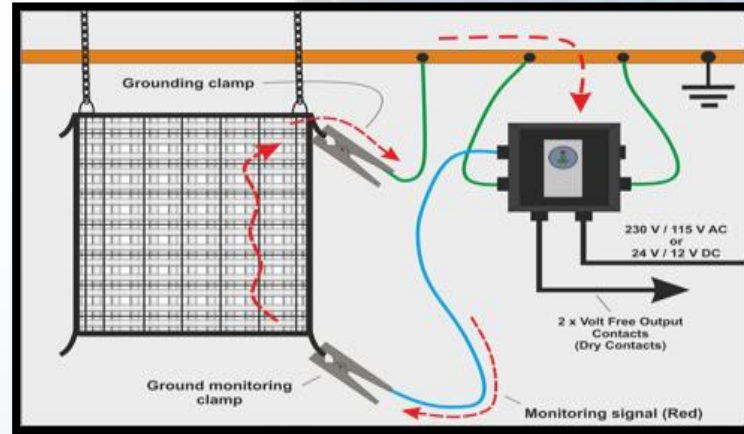
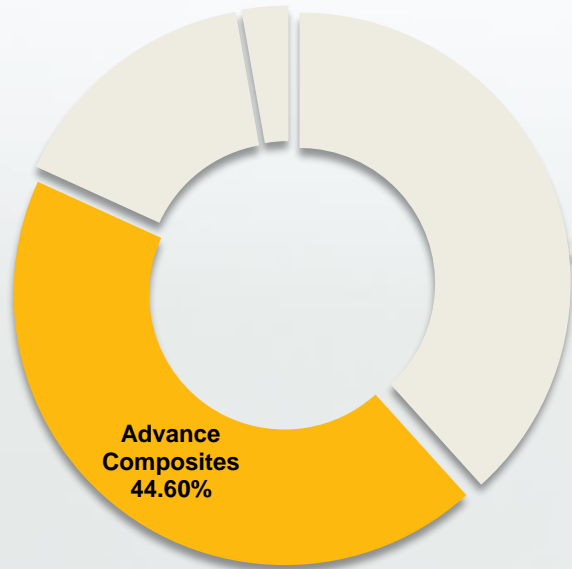


Nuclear Power plant Waste Disposal

# Product Snapshot



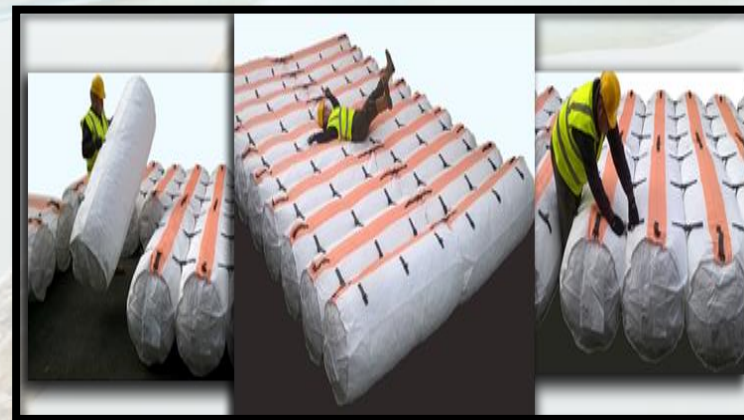
Advanced Composites



Electrically Conductive Polymer



Anti-Corrosive VCI Films



Application for Fall Arrest



Anti Corrosive Fabric



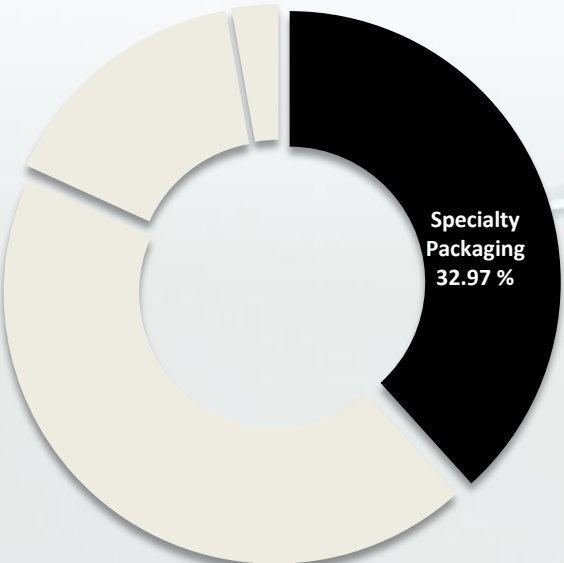


Helped put **4 Million Tones**  
of food & Other Cargo in  
your service every single  
year, **safely**

# Product Snapshot



Specialty Packaging



Construction FIBC



Application of Construction FIBC



Packaging Barrier Films

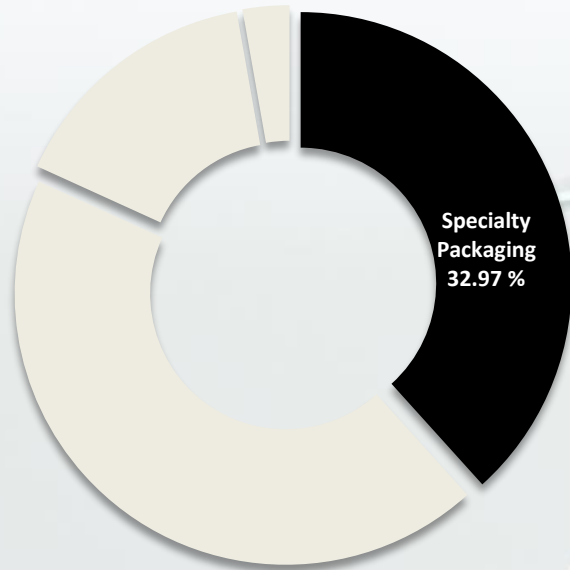
**Bulk Packaging with lowest carbon foot print only**  
**0.7 gm polymer can hold up to 1 kg of Material**



# Product Snapshot



**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



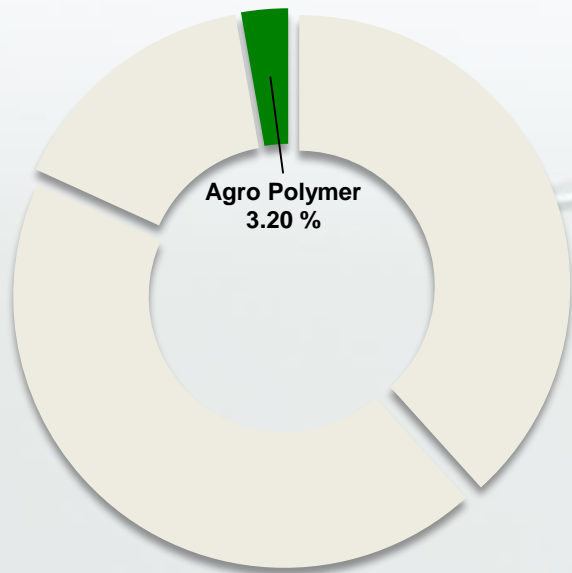
Crop Cover



Silage Incubator



Shade Net

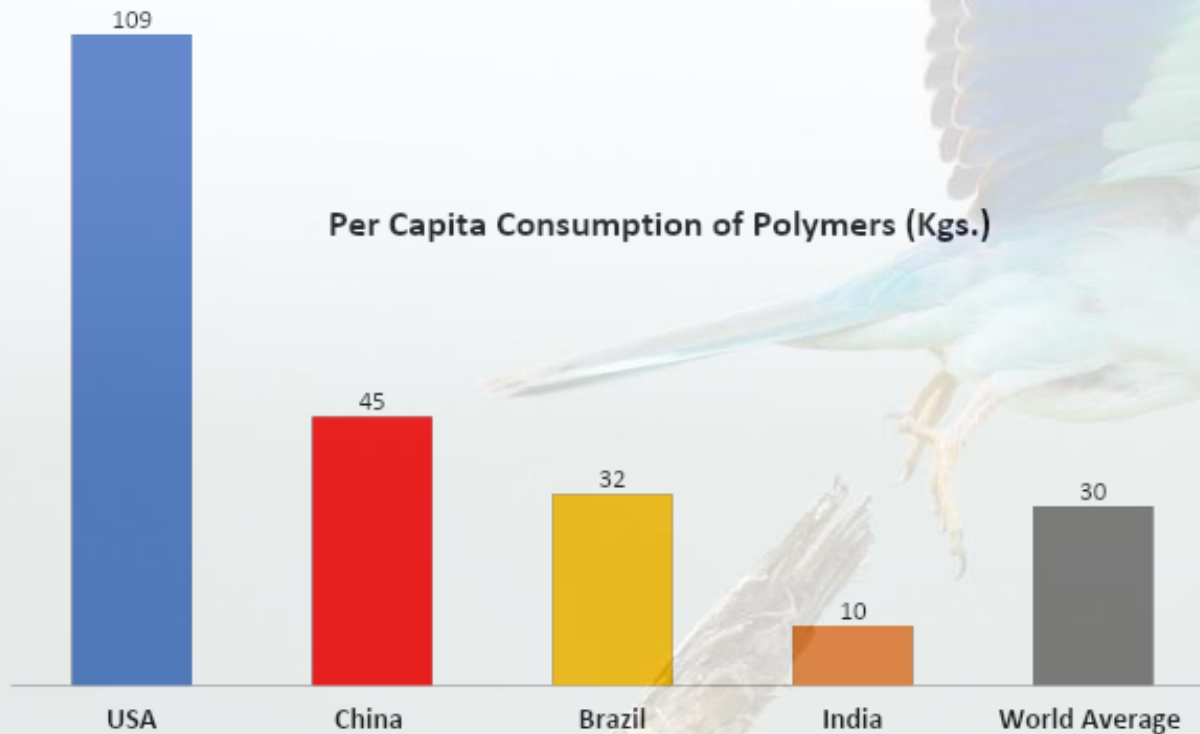


# Appendix B. Polymer Processing Industry : Global Perspective





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



## INDIA LAGS THE WORLD IN POLYMER CONSUMPTION

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

## URBANIZATION TO DRIVE CONSUMPTION

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

(source : Global Polymer News)

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

## Conventional applications

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

## Modern applications

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

### New Applications

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



**Thank you!**

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