

## Water Conservation Solutions help Emmbi register record Profits in FY 2017

**PAT Increase by 20% & Revenue Increase by 10%**

**Mumbai, 22<sup>nd</sup> May, 2017**

### **Emmbi ends year with 10.72% Growth in Revenue and 20.12% Growth in EPS**

Emmbi Industries with its enhanced thrust on solutions to industries like water conservation, food & pharma in packaging & logistics managements, have produced a record performance in FY 2016-17.

Company's Gross Sales for the 12 months of FY 2016-17 has increased to Rs. 240.99 Cr from Rs. 217.67 Cr from 12 months of FY 2015-16. This is an increase of 10.72 % over previous year.

#### **In FY 16-17**

1. PBT of Rs. 17.51 Cr. is UP by 22.66% over same period of previous year
2. PAT of Rs. 12.72 Cr. This is UP 20.12% over same period of previous year
3. EPS to Rs. 7.20. This is UP 20.13% over same period of previous year.

**For Quarter ended March 2017**, company did significant improvements on YoY and QoQ basis.

1. Gross Sales is UP to Rs. 66.81 Cr from Rs. 59.28 Cr against same period last year. Registering an increase of 12.69%.
2. PBT is UP to Rs 5.84 Cr, growth of 40.09%, over same period of previous year.
3. PAT of Rs. 4.09 Cr. is UP by 10.29 % over same period of previous year.
4. EPS of Rs. 2.31 is UP by 10.29 % over same period of previous year.

#### **Highlights of the Year:**

Companies focus on Sustainable Innovation in the area of Water Conservation Solutions | Advance Composite & Agri-Polymer

- i. Customized Solutions
- ii. Higher capacity utilization to 92% resulting into higher margins and an Additional capacity of 3600 MT was Set up on 28<sup>th</sup> March, which is up by 20% and the growth in working will be reflected in CFY 17-18 in the working of the company
- iii. Completion of New Dedicated Manufacturing facility for the Water Conservation Products
- iv. Launch of New "Aroma Lock" Technology for the Bulk Coffee Packaging
- v. Launch of Worlds widest width Pond Liner for Personalized Irrigation System



**Dividend:**

The Board of Directors have recommended dividend of Re. 0.50 per fully paid up equity share of Rs. 10/- each for the financial year 2016-2017.

**Rating Improvement:**

With the developments in the operational and financial performance of the Company for the financial year 2016-2017 the credit ratings of the Company has been increased by CARE from "BBB+" to "BBB+ with Positive Outlook" for the Company's long-term fund based facility and to CARE A3+ for the Company's short-term fund based facility.

The cost of finance has come down to 3.44 % of Revenue in FY 2016-17 from 4.15 % of Revenue in previous year.

**Capex & Project Completion:**

The Company has largely completed its capex program and added the capacity by 6000 MTA p.a. totaling the capacity of 24000 MT p.a. The new food & pharma packaging product manufacturing facility will go live in Q2 of FY17-18. The total capex is expansion plan of Rs. 21.50 crores. In FY 17-18, the focus will be on optimizing the capacity so expanded for higher revenue and profits.

Emmbi expects a sizeable value addition in its product portfolio from its to be Setting up state of the art Positive Pressure Clean Room facility for manufacturing of "Food and Pharmaceutical Grade FIBC Packaging Material". This will help Company to produce the Food & Pharma Grade products for the Export Market. The Project is about to get completed and will be going on Stream by 21<sup>st</sup> June 2017.

Emmbi has already commissioned a Dedicate New Dedicated Manufacturing facility for the Water Conservation Products which is expected to contribute 20% to the expanded revenue base over next 3 years.

**About Company:**

Emmbi Industries Limited, is a well-established brand in the field of Specialized polymer processing and packaging solutions. With a prudent track record of more than two decades, it has trained its focus in the field of water conservation, logistics, agriculture, packaging, geo-textiles and various other polymer based material.

