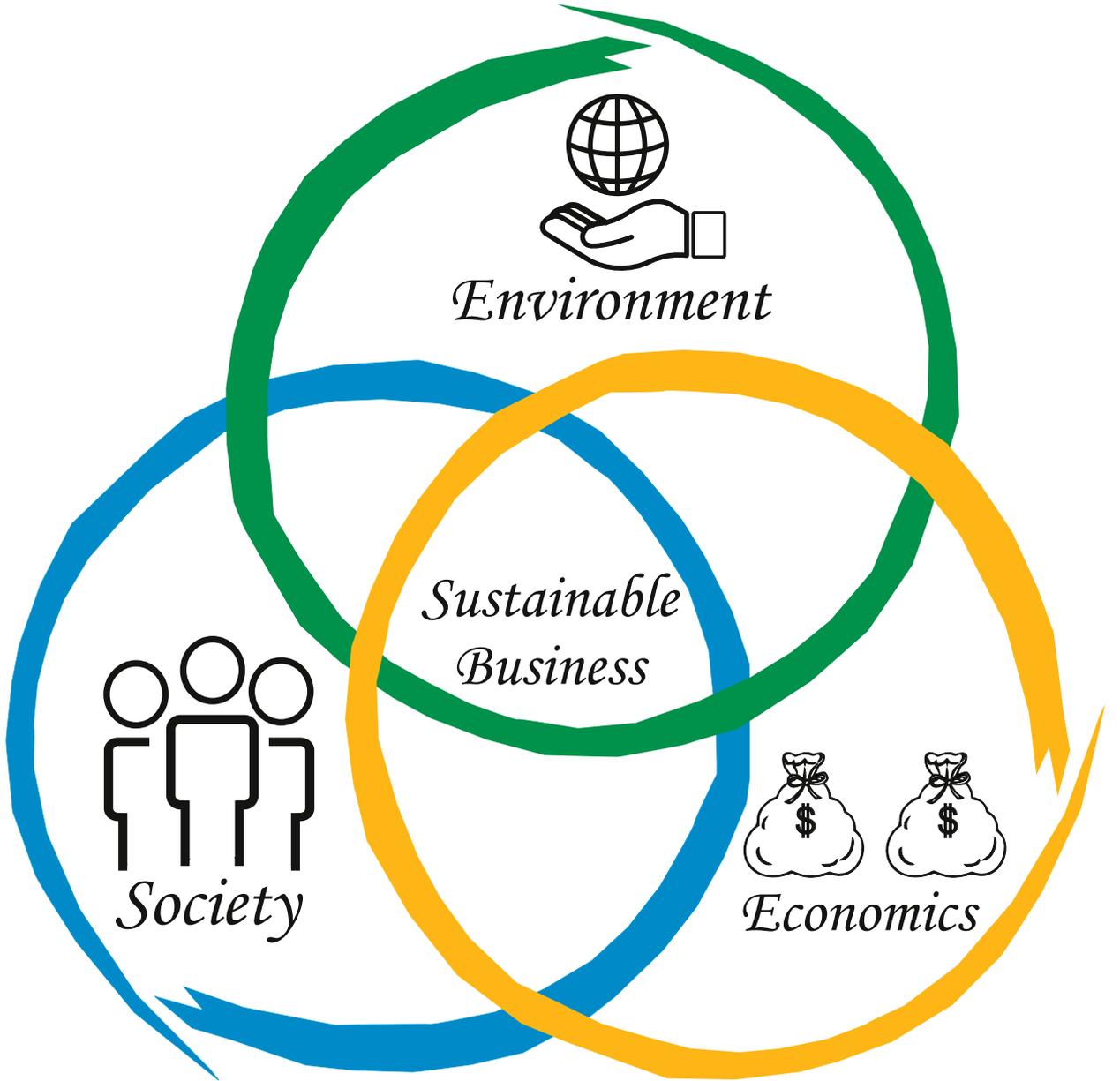


# ANNUAL REPORT 2023



**emmbi**  
**Reclaim30<sup>TM</sup>**  
30 % Recycled PP Products

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Mr. Makrand M. Appalwar  
Chairman & Managing Director  
DIN 00171950

Mrs. Rinku M. Appalwar  
Executive Director & CFO  
DIN 00171976

Mr. Krishnan I. Subramanian  
Whole-Time Director  
DIN 06614842

Mr. Rama A. Krishnan  
Independent Director  
DIN 00546256

Mr. Prashant K. Lohiya  
Independent Director  
DIN 02990858

Dr. Venkatesh G. Joshi  
Independent Director  
DIN 01234871

## 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  
Bajaj Finance Limited  
DBS Bank (India) Limited  
ICICI Bank Limited  
Saraswat Co-Op. Bank Limited  
Standard Chartered Bank

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

Scan the QR code and  
get more information  
about us:





Since 1947, The Bulletin of the Atomic Scientists has maintained a Doomsday Clock – a symbol that represents the likelihood of a man-made catastrophe. It represents the Bulletin’s opinion on how close the world is to a global catastrophe, thanks to unchecked technical and scientific advances. Midnight represents that moment when catastrophe strikes. Of course, nuclear risk and climate change are the major contributing factors to the clock’s march toward midnight.

In January 2021, the clock moved to 100 seconds to midnight.

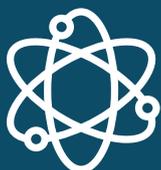
Yes, climate change is a real and present danger with governments, the UN and concerned citizens all jumping in to prevent that clock from hitting midnight.

And yet, it’s not all doom and gloom. There are rays of hope. Those little successes – however small – that show us we’re on the right path. Maybe all the damage can never be reversed. Maybe the planet can never go back to its pristine state. But maybe we can slow that clock down. Maybe we can push it back to 120 seconds from midnight.

This edition of our Annual Report then, celebrates those small successes. Those little stories of people and organizations reclaiming our planet.

# 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:** 60+ Countries worldwide



## Domestic Business

---

**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

---

**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

---

**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, Makrand and Rinku'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. Makrand and Rinku 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.



EVERY

## 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!



## 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 Janki-our second unit.





**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 Vaidehi 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' FIBC's.



**2018 - 2023**

2019: We created Jalasankey 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.



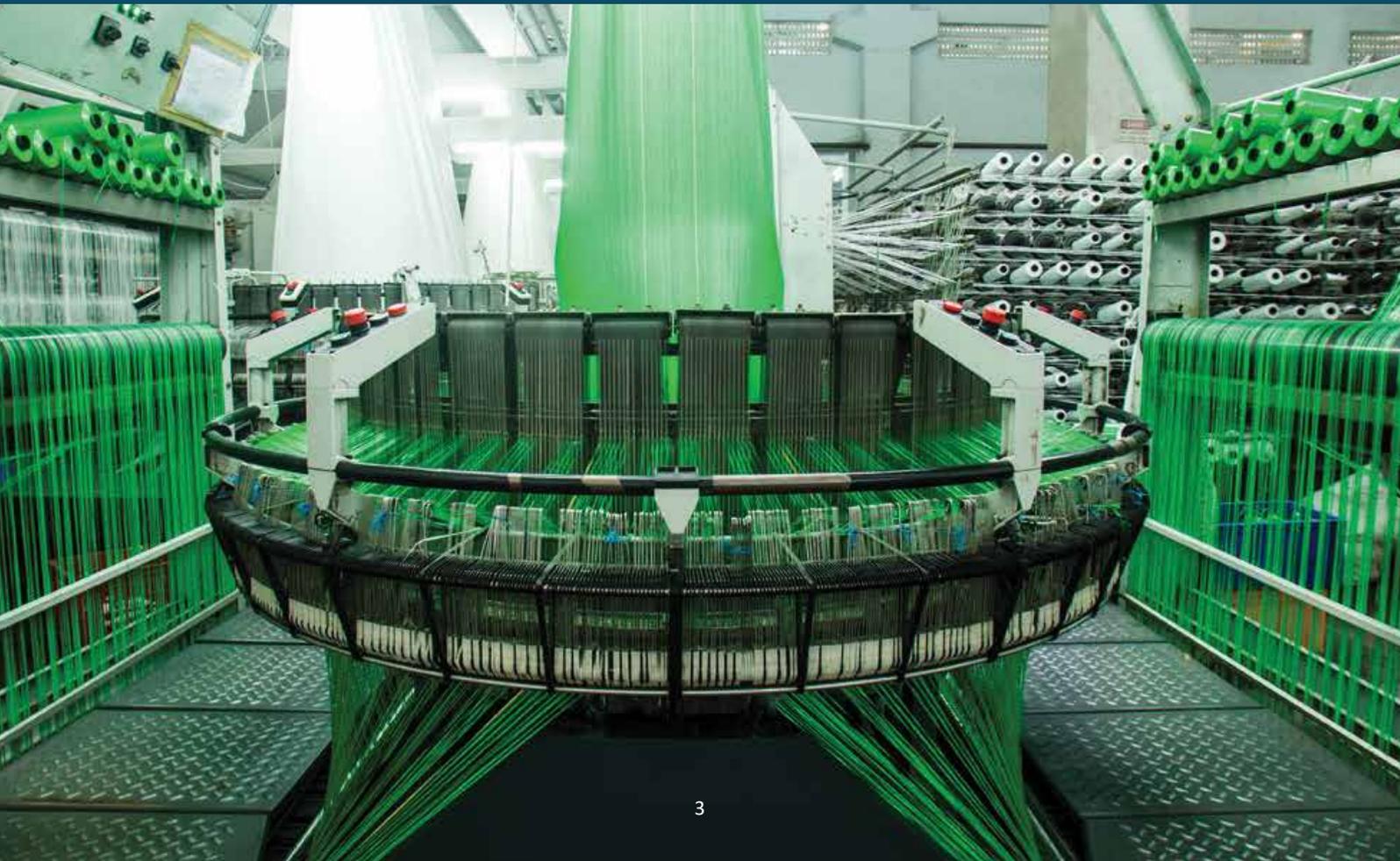
### **Brighter for our Employees:**

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.







Protecting grapes from extreme cold at **Napa Valley, US**



Transporting Tuna fish in **Greenland**



Ensuring proper packing and transport of cement & minerals in **GCC**



Helping with the transportation of the material needed for basic infrastructure building in **Uruguay**



Keeping the aroma of coffee intact in **Brazil** with our solutions

**Emmbi is brightening lives in over 60+ countries, worldwide!**



Ensuring the people in **Europe** get medicines on time



Converting lakhs of acres of land into agricultural land across **India**



Helping farmers in **Kenya** to grow better flowers



Ensuring food reaches the **Australians**



Helping the precious **New Zealand** wool to reach it's destination safely

# CS



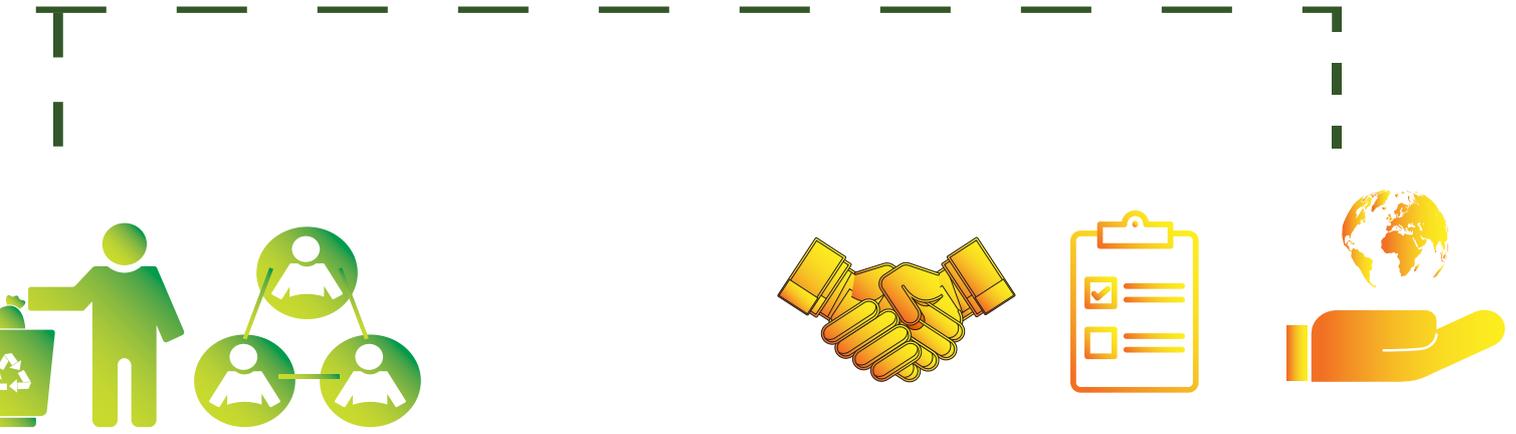
## Corporate

## Soc



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.

# R



ial

# 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 M. Appalwar** **Chairman & Managing Director**

Mr. Makrand M. 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 M. Appalwar** **Executive Director & CFO**

Mrs. Rinku M. 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 I. Subramanian** **Whole-Time Director**

Mr. Krishnan I. Subramanian 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 G. Joshi**  
**Independent Director**

Dr. Venkatesh G. 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. Venkatesh G. Joshi graduated in medicine from the Marathwada University and later obtained an MD in Ayurveda from Mumbai University.



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

Mr. Prashant K. Lohiya, a practicing Chartered Accountant is a Fellow Member of the Institute of Chartered Accountants of India (F.C.A.) and 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 A. Krishnan**  
**Independent Director**

Mr. Rama A. Krishnan is the Founder President and Past President (1970 – 73) of The Institute of Company Secretaries of India (ICSI). He is a Fellow Member of the Institute of the 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 of LLP Committee of the Ministry of Corporate Affairs and the Chairman of 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.



“ We have always insisted that growth should always be sustainable and this is possible through a mix of continuous innovation, focus on operating metrics and launching new products and solutions. ”

# CHAIRMAN'S ADDRESS 2023

## YEAR OF SUSTAINABILITY

---

Dear Shareholders,

On behalf of the Board and the Employees of Emmbi, let me warmly welcome you to the 29th Annual General Meeting of the Company and thank you for being a part of the Emmbi journey. I am a firm believer that the private sector in addition to playing a meaningful role to all stakeholders, should also adapt and evolve itself to the structural changes happening across the globe. Whilst tectonic shifts are happening be it in terms of remote work, application of Artificial Intelligence etc.; there also is a conscious and concrete developments in the fields of Sustainability. I can proudly state that, your Company is ahead of the curve when it comes to not just adapting the best practices, but also turning itself into a pioneer in the field of using Recyclable materials; Fiscal '23, can be attributed to **'Sustainability'**.

The Indian Economy experienced a slower growth at 6.30%, on account of the global headwinds be it the conflict in Eastern Europe, elevated Crude Prices, Supply-Side bottlenecks and tightening financial conditions. The World Economy witnessed a muted 3.20% growth, high inflation in the Western World, China's lockdown measures, had a dampening effect in businesses across Emerging and Developing Economies. The outlook for the coming year is expected to be better, with a fall in inflation, easing of monetary conditions and reopening of China. The Indian market, is better insulated than other emerging markets and poised to grow upwards of 6%, fueled by a strong domestic consumption.

### **2023 – Year of Sustainability @Work, translating to Revenues**

In fiscal 2023, we remained at the Rs. 4 bn mark in terms of Revenues, Exports were at Rs. 2459.25 Mn, Domestic Sales at Rs. 1894 Mn and the pivoting point was that we launched Reclaim 30©; a specialty fabric made up of 30% recycled polymers.

We have always insisted that growth should always be sustainable and this is possible through a mix of continuous innovation, focus on operating metrics and launching new products and solutions.

**New Product – Reclaim 30**

Our initial embarkment with Reclaim 30©, has gained traction within the UK and other markets as well resulting us investing in and setting up a manufacturing line only for recycled products. We are of the firm belief that the demand for these products would be at a much faster pace and the Company is positioned to take advantage in the coming years.

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

Warm Regards,

**Makrand M. Appalwar**

**Chairman & Managing Director**

**Date: 30th May, 2023**

**Place: Mumbai**





# HOPE FOR THE OZONE HOLE

Since the 1970s, scientists began to notice a steady depletion in the stratospheric ozone that surrounds our planet. This ozone layer prevents the harmful wavelengths of UV radiation (primarily UVB) from passing through the earth's atmosphere. Amongst other things, this UV radiation causes skin cancer, sunburn and permanent blindness.

Research led scientists to zero in on the cause of this depletion in ozone, called the 'ozone hole' – manufactured chemicals, especially manufactured halocarbon refrigerants, solvents, propellants, and foam-blowing agents (chlorofluorocarbons, or CFCs, HCFCs, halons) – these are referred to as ozone-depleting substances (ODS). The concerns over UVB radiation led to the adoption of the Montreal Protocol in 1987 and in 1989, these harmful chemicals were banned.

Since then, the Montreal Protocol is reviewed every four years. The ozone layer stabilized by the mid 1990s and began to recover, albeit slowly, in the 2000s.

And now, the good news: a 2018 study by the UN states that the ozone layer is recovering at a rate of 1 to 3 percent per decade. The

report stated, "The Antarctic ozone hole is recovering, while continuing to occur every year. As a result of the Montreal Protocol much more severe ozone depletion in the polar regions has been avoided." The Antarctic Ozone Hole was initially expected to gradually close and return to 1980 levels by 2060. The UN Environment and World Meteorological Organization's report stated, "Evidence presented by the authors shows that the ozone layer in parts of the stratosphere has recovered at a rate of 1-3 percent per decade since 2000... At projected rates, Northern Hemisphere and mid-latitude ozone is scheduled to heal completely by the 2030s followed by the Southern Hemisphere in the 2050s and polar regions by 2060."

Challenges still persist. A 2021 study by the Copernicus Atmosphere Monitoring Service said that the annual ozone hole was growing bigger and the 2021 ozone hole was is now among the 25% largest in their records since 1979. Hopefully, with CFCs being phased out completely by 2030, the pace of healing shall improve. There is still some hope left for the planet.

# NOTICE OF THE ANNUAL GENERAL MEETING



## NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting (AGM) of the Members of Emmbi Industries Limited will be held on Saturday, 12th day of August, 2023 at 11.30 am IST 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 31st March, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare and approve payment of Dividend of Re. 0.30 per Equity Share for the financial year ended 31st March, 2023.
3. To appoint a Director in place of Mrs. Rinku M. Appalwar (DIN 00171976) who retires by rotation and, being eligible, offers herself for re-appointment.

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

**Date:** 30th May, 2023  
**Place:** Mumbai

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

**Kaushal R. Patvi**  
**Company Secretary**

**FLEXIBLE  
STRETCHER**



## NOTES

1. Pursuant to the General Circular No. 10/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM and the registered office of the Company shall be deemed to be the venue for the AGM.
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 in the meeting, through their authorised representatives are requested to send to the Company a certified true copy of the Board Resolution/ Power of Attorney/Authorisation Letter authorising their representative to attend and vote on their behalf at the Meeting by sending an email to [info@emmbi.com](mailto:info@emmbi.com).
5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. Details of Director retiring by rotation at this Meeting are provided in the “Annexure I” to the Notice.
7. In compliance with the MCA Circulars and the SEBI Circulars, Notice of the AGM along with the Annual Report for the Financial Year 2022-23 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 2022-23 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).
8. 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).
9. 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 2nd August, 2023, through email on [info@emmbi.com](mailto:info@emmbi.com) so as to enable the Company to keep the information ready at the AGM.
10. **BOOK CLOSURE:** The Register of Members and Share Transfer Register of the Company will remain closed from Sunday, 6th August, 2023 to Saturday, 12th August, 2023 (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.
11.
  - 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.

12. **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 10th September, 2023:

(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 Saturday, 5th August, 2023 and

(b) to all the members in respect of shares held in physical form at the close of business hours on Saturday, 5th August, 2023.

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 Nodal Officer and 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).

13. **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 1st 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).

#### I. Resident Shareholders:

Tax is required to be deducted at source under Section 194 of the Income Tax Act, 1961, at 10% on the amount of dividend where shareholders have registered their valid Permanent Account Number(PAN). In case, shareholders do not have PAN / have not registered their valid PAN details in their account, TDS at the rate of 20% (plus applicable surcharge and cess) shall be deducted under Section 206AA of Income Tax Act, 1961.

Further, Tax will not be deducted in case of:

##### a. Resident Individuals:

No tax shall be deducted on the dividend payable to resident individuals if –

- Total dividend amount to be received by them during the Financial Year 2023-24 does not exceed Rs. 5,000/- or
- The shareholder provides Form 15G (applicable to any person other than a company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met.

##### b. Resident Non-Individuals:

No tax shall be deducted on the dividend payable to the following resident non-individuals, if they provide the desired details and documents:

- Insurance Companies: Self declaration that it has full beneficial interest with respect to the equity shares owned by it along with self-attested copy of PAN card.
  - Mutual Funds: Self-declaration that they are specified in Section 10 (23D) of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate.
  - Alternative Investment Fund (AIF): Self-declaration that its income is exempt under Section 10 (23FBA) of the Income Tax Act, 1961 and they are governed by SEBI regulations as Category I or Category II AIF along with self-attested copy of the PAN card and registration certificate.
  - Other Non-Individual shareholders: Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.
- c. In case, shareholders (both individuals or non-individuals) provide certificate under Section 197 of the Income Tax Act, 1961, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the certificate.

#### II. Non-resident Shareholders:

a) Taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961, as per the rates as applicable. As per the relevant provisions of the 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, non-resident shareholders provide a certificate issued under Section 197/195 of the Income Tax Act, 1961, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the certificate

b) Further, as per Section 90 of the Income Tax Act, 1961 the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty 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 Tax Treaty benefits, the non-resident shareholders are required to provide the following:

- Self-attested copy of the PAN Card allotted by the Indian Income Tax authorities.
- Self-attested copy of Tax Residency Certificate (TRC) (for the period April 2022 to March 2023) obtained from the tax authorities of the country of which the shareholder is a resident.
- Self-declaration in Form 10F.
- Self-declaration by the non-resident shareholder of having no Permanent Establishment in India in accordance with the applicable Tax Treaty and Beneficial ownership of the shares (for the period April 2022 to March 2023) by the non-resident shareholder.

Kindly note that the Company is not obligated to apply beneficial tax treaty rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

- c) In case of Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI), taxes shall be withheld at 20% plus applicable surcharge and cess in accordance with provisions of Section 196D of the Income Tax Act, 1961.

### III. TDS to be deducted at higher rate in case of non-filers of Return of Income:

The Finance Act, 2021, has inter-alia, inserted a new Section 206AB, effective from 1st July, 2021. The provisions of Section 206AB of the Act require the deductor to deduct tax at higher of the following rates from amount paid/ credited to 'specified person':

- At twice the rate specified in the relevant provision of the Act; or
- At twice the rates or rates in force; or
- At the rate of 5%

The 'specified person' means a person (shareholder in present case) who has:

- not filed income tax return for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of Section 139 has expired; and
- the aggregate of tax deduction / collection at source in his case is Rs. 50,000/- or more in the said previous year.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

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 2nd August, 2023 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination / deduction shall be entertained post 2nd August, 2023.**

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.

14. **IEPF:** Under the Act, dividends that are unclaimed/ unpaid for a period of seven years from the date of declaration 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 31st March, 2023 on the website of the Company at [www.emmbi.com](http://www.emmbi.com) and also on the website of the MCA at <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 shall send 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>.**

15. **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 1st 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.

16. 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.
17. **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 at the address mentioned below quoting their folio number(s).**
18. 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 3 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.
19. **The remote e-voting period begins on Wednesday, 9th August, 2023 at 9:00 A.M. IST and ends on Friday, 11th August, 2023 at 5:00 P.M. 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., 5th August, 2023 may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, 5th August, 2023.**



**Annexure I to the Notice dated 30th May, 2023****Details of Directors retiring by rotation / seeking re-appointment at the Meeting as required under applicable provisions of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standards-2 on General Meetings issued by ICSI**

Name of the Director	Mrs. Rinku M. Appalwar
Age	52 Years
DIN	00171976
Nationality	Indian
Date of First Appointment on the Board	29.11.1994
Qualifications	She is a graduate in Chemistry from Mumbai University and an alumna of The Indian Institute of Management, Bangalore.
Experience including expertise in specific functional areas	Mrs. Rinku M. Appalwar, the co-founder of Emmbi Industries Limited heads specific functional departments like Accounts, Finance, Banking, Compliance & Legal, Procurement, Logistics, Production and HR & Admin. She is a firm believer in seeing 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 its five-fold growth in five years from the time Emmbi became a Listed Company.
Relationship with other Directors/ Key Management Personnel	Wife of Mr. Makrand M. Appalwar who is the Chairman and Managing Director of the Company. She is not related to any other Directors.
Number of shares held in the Company (singly or jointly as first holder) as on 31st March, 2023	23,67,746
Number of meetings of the Board attended during the financial year (2022-2023)	4
Directorships of other Boards as on 31st March, 2023	1. Emmbi Laboratories Private Limited 2. Maithili Agrotech Private Limited 3. Kitec Industries (India) 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 31st March, 2023	Nil
Terms and conditions of appointment/re- appointment along with details of remuneration sought to be paid	Mrs. Rinku M. Appalwar was re-appointed as the Executive Director & CFO of the Company on 31st March, 2020 for a period of 5 years at a remuneration of Rs.72 Lakhs by the shareholders at the AGM held on 12th September, 2020
Details of last drawn remuneration	During the Financial Year 2022-23, an aggregate amount of Rs. 70.40 Lakhs was paid as managerial 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: 30th May, 2023**  
**Place: Mumbai**

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

**Kaushal R. Patvi**  
**Company Secretary**

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

The remote e-voting period begins on Wednesday, 9th August, 2023 at 9:00 A.M. IST and ends on Friday, 11th August, 2023 at 5:00 P.M. 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., 5th August, 2023 may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, 5th August, 2023.

### 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 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 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.nsd.com">https://eservices.nsd.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.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.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.nsd.com/">https://www.evoting.nsd.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></ol>

4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



**App Store**





**Google Play**



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

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 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

**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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID 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 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](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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/corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to [info@emmbi.com](mailto:info@emmbi.com) or [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, HUFs, NRIs 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.

## 22. 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.evoting-india.com](http://www.evoting-india.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 29th Annual Report of your Company and the Audited Accounts for the year ended 31st March, 2023.

Your Company has recorded yet another year of good performance, in its operations considering the global slowdown in the packaging industry, uncertainty of the European war and low economic operation in the South American sub-continent. The highlights of the results are set out below:

### FINANCIAL RESULTS

(Rs. in Millions)

Particulars	Year ended on 31st March 2023	Year ended on 31st March 2022
Gross Sales	4,353.25	5,103.69
Less: Goods & Service Tax	(642.43)	(747.48)
Net Sales	3,710.83	4,356.22
Other income	1.22	1.05
Total revenue	3,712.05	4,357.26
Profit before Depreciation, Finance Cost, Exceptional item & Tax	375.85	492.08
Less: Depreciation	98.97	87.38
Profit before Finance Cost, Exceptional item & Tax	276.88	404.70
Less: Finance Costs	157.01	146.62
Profit before Exceptional Items & Tax	119.86	258.08
Add: Exceptional Items	0.00	0.00
Profit before tax	119.86	258.08
Less: Tax expenses	37.20	67.75
Profit after Tax	82.66	190.33
Opening Balance of retained earnings	1,084.45	902.06
Profit available for appropriation	0.00	0.00
Balance available for appropriation	1,084.45	902.06
Adjustment relating to fixed assets	0.00	0.00
Adjustments with other Equity	0.80	(0.87)
Less: Proposed Dividend / Paid	(9.63)	(6.44)
Less: Tax Deducted at Source	(0.98)	(0.64)
Closing Balance of retained earnings	1,157.29	1,084.45

### OPERATIONS

During the year under review, your Company has achieved Revenue from Operations and the Income aggregating to Rs. 3,710.83 million as against Rs. 4,356.22 million during the previous year. Profit after providing for taxes is Rs. 82.66 million as against Rs. 190.33 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. 0.30 per equity share of the face value of Rs. 10/- each for the year ended on 31st March, 2023 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. 2,459.25 million as against Rs. 3,194.28 million. Exports in the current financial year contributed to 56.49% in the gross sales. Company has expanded its presence in 60+ countries which has resulted healthy growth in limited impact on the territory of operation.

### HUMAN RESOURCE DEVELOPMENT

Companies 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**

We have broken the comments into Four Major Steps which will cover all the aspects connected to Capital and Financial resources, Profitability, Liquidity, Ability to service debt.

- 1) Supply Side Management: We have ensured that for all the critical and non-critical items minimum 3 suppliers are maintained, and a special focus is given in ensuring geographic separation to all supply sources. This will spread the Risk of common failure from all the suppliers at the same time. We are also maintaining slightly higher stock than our normal inventory level to avoid any stock out condition.

Kindly note that Emmbi continues its policy of non-speculative operations & we always do the procurement of inputs on the receipt of confirmed sales order.

- 2) Demand Side Management: To maintain and create new demand we have started various Short Term and Long Term, Marketing and Sales initiatives, Like reaching out to every customer and explaining them about the various products of Emmbi which they are not presently using. We have added and around six new customers in four new geographies during this financial year. Also the new launch of Globally Patented (Filled) "Hyperbolic FIBC" has given a net edge to companies technical abilities giving company an ability to reach up to more buyers in the existing geographies

During the Year under consideration company was able to produce and sale around 15 % of its production using 30 % Recycled content in it. It is sold under the registered brand "Reclaim 30" in the global market.

- 3) Manufacturing Side Management: In the present time availability of the Rightly Skilled Employees in one of the largest challenges. Presently all other parameters of the Manufacturing are under control.
- 4) Liquidity Management: Company is in a very stable financial condition. In the present situation two of our banking partners have approved emergency COVID funding.

The Company was remarkably successful in maintaining its Debtor realization. There have been no delays in the realization from the exports. Also note that entire Export debts are insured by party wise insurance by ECGC. Domestic Debtors has also shown a comfortable payment situation

Other financial arrangements, assets, internal financial reporting and control, supply chain, demand for Company's products/services:

- 1) The Company has efficient systems in place for Internal Financial reporting and control. Even during the period of lockdown with work from home, all reporting systems worked seamlessly without any disruption.
- 2) The supply chain was the cause for concern during the initial lockdown period, however, gradually this issue has been sorted out. Going forward the company is confident of coming back to normal shortly.
- 3) The Company's export order book remains robust and demand for the Company's products has not slackened leading us to believe that the company is far better placed to serve its global customers.

## **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 March 31, 2023 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 March 31, 2023 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, Mrs. Rinku M. Appalwar (DIN 00171976), CFO & Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers herself 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:

<b>Sr. No.</b>	<b>Name of the Person</b>	<b>Designation</b>
1	Mr. Makrand M. Appalwar	Chairman & Managing Director
2	Mrs. Rinku M. Appalwar	Executive Director and CFO
3	Mr. Krishnan I. Subramanian	Whole Time Director
4	Mr. Kaushal R. Patvi	Company Secretary

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 2022-2023.

##### **DECLARATION BY AN INDEPENDENT DIRECTOR(S)**

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 18th 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, Chief Financial Officer and the Executive Director 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 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.

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

The Company does not have any subsidiary or joint ventures as on 31st March, 2023.

## **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).

A brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-4** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

## **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 institutionalized 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 Silvassa 396 230 is accorded In-house R&D recognition up to 31st 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	36.05
Revenue Expenditure	0.00
Total R&D Expenditure	36.05
Total Turnover (Net Sales)	3,710.83
Total R&D Expenditure as a percentage of Total turnover	0.97%

**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. 2,337.74 millions.

Particulars	(Rs. In Millions)	
	2022-23	2021-22
Foreign Exchange Earnings	2,337.74	3,010.81
Foreign Exchange Outgo	462.90	231.12

**RISK MANAGEMENT POLICY**

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. The Company has a robust organisational structure for managing and reporting on risks. A statement including development and implementation of a risk management policy for 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.

**THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)**

During the year, there were no applications made and no proceedings were pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

**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 31/03/2023
1	2015-16	Rs. 60,769.50/-
2	2016-17	Rs. 59,371.50/-
3	2017-18	Rs. 50,354.50/-
4	2018-19	Rs. 45,293.50/-
5	2019-20	Rs. 31,776.80/-
6	2020-21	Rs. 27,047.60/-
7	2021-22	Rs. 43,353.00/-

Investors are advised to send all un-encashed 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 2015-16 will become due for transfer to Investor Education and Protection Fund (IEPF) in FY 23-24.

#### **MANDATORY TRANSFER OF SHARES TO DEMAT ACCOUNT OF INVESTORS EDUCATION AND PROTECTION FUND AUTHORITY (IEPFA) 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.

Considering the statutory timelines, individual notices shall be served upon the 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 2023-24

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 auditor of the Company were appointed for a period of five years at the 23rd Annual General Meeting as Statutory Auditors till the conclusion of 28th 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 re-appointed as the statutory auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of 28th annual general meeting until the conclusion of the 33rd annual general meeting of the Company. 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 had appointed Mr. Sanjay R. Dholakia, Practising Company Secretary, to conduct Secretarial Audit for the F.Y. 2022-23. The Secretarial Audit Report for the financial year ended 31st March, 2023 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 of the Company.

#### **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 31st March, 2023 in Form No. MGT-9 is attached as **Annexure 1**. The annual return as on 31st March 2023 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 K. Lohiya, Independent Director as Chairman  
Dr. Venkatesh G. Joshi, Independent Director, as a member  
Mr. Rama A. Krishnan, Independent Director, as a member  
Mrs. Rinku M. 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 K. Lohiya, Independent Director as Chairman  
Dr. Venkatesh G. Joshi, Independent Director as a member  
Mr. Rama A. 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 K. Lohiya, Independent Director as Chairman  
Dr. Venkatesh G. Joshi, Independent Director as a member  
Mr. Rama A. Krishnan, Independent Director as a member  
Mrs. Rinku M. 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 G. Joshi, Independent Director as Chairman  
Mr. Rama A. Krishnan, Independent Director as a member  
Mr. Prashant K. Lohiya, Independent Director as a member  
Mrs. Rinku M. 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.

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 March 31, 2023 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).

#### **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

**For and on behalf of the Board of Directors**

**Place: Mumbai  
Date: 30th May, 2023**

**Makrand M. Appalwar  
Chairman & Managing Director  
DIN: 00171950**





# TOGETHER, FOR THE FORESTS

If there is one singular event that can be pointed to, to trace the beginning of environmentalism in India, most might agree that the Chipko Movement of 1973 was that event. Sundarlal Bahuguna (9 Jan, 1927 – 21 May, 2021) a key participant in the movement, was easily one of the most prominent environmentalists in the country. The Chipko Movement is perhaps the best example of what can be achieved when citizens begin to come together for the planet.

Inspired by Jayaprakash Narayan and the Sarvodaya movement, the Dasholi Gram Swarajya Sangh was set up in 1964, with an aim to set up small industries using the resources of the forest. Their first project was a small workshop making farm tools for local use. Here they had to face restrictive forest policies, a hangover of colonial era still prevalent, as well as the "contractor system", in which these pieces of forest land were commodified and auctioned to big contractors, usually from the plains, who brought along their own skilled and semi-skilled laborers, leaving only the menial jobs like hauling rocks for the hill people, and paying them next to nothing. On the other hand, the hill regions

saw an influx of more people from the outside, which only added to the already strained ecological balance. The 1970 Alaknanda flood served as an effective catalyst and, through their relief work, members of the DGSS began to grasp the relationship between deforestation and the incidence of floods.

The government meanwhile, announced an auction scheduled in January 1974, for 2,500 trees near Reni village, overlooking the Alaknanda River. In March 1974, the men of Reni village and DGSS workers called to a meeting with the government, supposedly to discuss compensation. With the members away, labourers arrived by the truckload in Reni to start logging operations. A local girl rushed to inform Gaura Devi, the head of the village Mahila Mangal Dal. Gaura Devi led 27 of the village women to the site and confronted the loggers, hugging the trees to stop them from being felled. They women kept an all-night vigil guarding their trees against the cutters. News of this spread to neighboring villages and the rest, as they say, is history.

Sundarlal Bahuguna was awarded the Padma Vibhushan in 2009.

# 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 31st March, 2023**

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

**I REGISTRATION & OTHER DETAILS**

i	CIN	L17120DN1994PLC000387
ii	Registration Date	29th November, 1994
iii	Name of the Company	Emmbi Industries Limited
iv	Category/Sub-category of the Company	Company limited by shares 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 (Formerly known as Datamatics Financial Services Limited) Plot No. B-5, Part B Crosslane, MIDC, Andheri (East), Mumbai 400 093. 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

SR 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**

SR No	Name & Address	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
-	-	-	-	-	-

**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	7590917	0	7590917	42.91	7602917	0	7602917	42.98	0.07
	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) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	f) Any other (specify)	0	0	0	0.00	0	0	0	0.00	0.0
	<b>SUB TOTAL (A) (1)</b>	<b>10315217</b>	<b>0</b>	<b>10315217</b>	<b>58.31</b>	<b>10327217</b>	<b>0</b>	<b>10327217</b>	<b>58.38</b>	<b>0.07</b>

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>(2)</b>	<b>Foreign</b>									
	a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b) Other- Individuals	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 / FI	0	0	0	0.00	0	0	0	0.00	0.00
	e) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	f) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>10315217</b>	<b>0</b>	<b>10315217</b>	<b>58.31</b>	<b>10327217</b>	<b>0</b>	<b>10327217</b>	<b>58.38</b>	<b>0.07</b>
<b>B. PUBLIC SHAREHOLDING</b>										
	<b>(1) Institutions</b>									
	a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
	b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	c) Central Government	0	0	0	0.00	26574	0	26574	0.15	0.15
	d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
	e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	g) FIs	1267025	0	1267025	7.16	1245720	0	1245720	7.04	-0.12
	h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	i) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	j) Alternate Investment Funds	332300	0	332300	1.88	332300	0	332300	1.88	0.00
	k) Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (B)(1)</b>	<b>1599325</b>	<b>0</b>	<b>1599325</b>	<b>9.04</b>	<b>1604594</b>	<b>0</b>	<b>1604594</b>	<b>9.07</b>	<b>0.03</b>
<b>(2)</b>	<b>Non Institutions</b>									
	a) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	b) Indian	412744	0	412744	2.34	734027	0	734027	4.15	1.82
	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
	Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Individuals- shareholders holding nominal share capital up to Rs 2 Lakh	4216050	10	4216060	23.83	3843394	10	3843404	21.73	-2.11
	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	762657	0	762657	4.31	796604	0	796604	4.50	0.19
	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Other (specify)	24018	0	24018	0.14	0	0	0	0.00	-0.14
	NRI Rep	122836	0	122836	0.69	140758	0	140758	0.80	0.10
	NRI Non-Rep	237393	0	237393	1.34	243646	0	243646	1.38	0.04
	Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
	Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub Total (B)(2)</b>	<b>5775698</b>	<b>10</b>	<b>5775708</b>	<b>32.65</b>	<b>5758429</b>	<b>10</b>	<b>5758439</b>	<b>32.55</b>	<b>-0.10</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>7375023</b>	<b>10</b>	<b>7375033</b>	<b>41.69</b>	<b>7363023</b>	<b>10</b>	<b>7363033</b>	<b>41.62</b>	<b>-0.07</b>
	<b>Total (A+B)</b>	<b>17690240</b>	<b>10</b>	<b>17690250</b>	<b>100.00</b>	<b>17690240</b>	<b>10</b>	<b>17690250</b>	<b>100.00</b>	<b>0.00</b>
	<b>Custodians for GDRs and ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>17690240</b>	<b>10</b>	<b>17690250</b>	<b>100.00</b>	<b>17690240</b>	<b>10</b>	<b>17690250</b>	<b>100.00</b>	<b>0.00</b>

**(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 SHAREHOLDING DURING THE YEAR
		No. Of Shares	% of total of the company	% of shares pledged encumbered to total shares	No. Of Shares	% of total of the company	% of shares pledged encumbered to total shares	
1	Mr. Makrand M. Appalwar	3827450	21.64	0.00	3839450	21.70	0.00	0.07
2	Mrs. Rinku M. Appalwar	2367746	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	242157	1.37	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	14550	0.08	0.00	0.01
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	0	0.00	0.00	-0.02
11	Mr. Sanjay R. Rathi	2100	0.01	0.00	2100	0.01	0.00	0.00
12	Mrs. Sangeeta S. Rathi	1050	0.01	0.00	1050	0.01	0.00	0.00
13	Mrs. Sushiladevi R. Rathi	750	0.00	0.00	750	0.00	0.00	0.00
	<b>Total</b>	<b>10315217</b>	<b>58.31</b>	<b>0.00</b>	<b>10327217</b>	<b>58.38</b>	<b>0.00</b>	<b>0.06</b>

**(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 (01/04/22 to 31/03/23)	
		No. of shares at the beginning of the yr (01/04/22)	% of total shares of the Company	No. of shares end of the yr (31/03/23)	Reason	No. of shares	% of total shares of the Company	
1	Mr. Makrand M. Appalwar	3,827,450	21.64	01.04.2021				
				30.09.2022	11,000	Buy	3,838,450	21.70
				02.12.2022	1,000	Buy	3,839,450	21.70
2	Mrs. Rinku M. Appalwar	2,367,746	13.38	31.03.2023			3,839,450	21.70
				01.04.2022				
				31.03.2023		Nil movement during the year	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 (01/04/22 to 31/03/23)	
		No. of shares at the beginning of the yr (01/04/22)	% of total shares of the Company	No. of shares end of the yr (31/03/23)	Reason	No. of shares	% of total shares of the Company	
1	HIDDEN CHAMPIONS FUND	1,222,653	6.91	01.04.2022				
				31.03.2023		Nil movement during the year	1,222,653	6.91
2	TRUSTLINE DEEP ALPHA AIF	332300	1.88	01.04.2022				
				31.03.2023		Nil movement during the year	332,300	1.88
3	AAKASH FILAMENTS PVT. LTD.	132,689	0.75	01.04.2022				
				31.03.2023		Nil movement during the year	132,689	0.75
4	ASHOK MAGANLAL SHAH	102,995	0.58	01.04.2022				
				31.03.2023		Nil movement during the year	102,995	0.58
5	MRUNALINI RAJESH PANDIT	99,575	0.00	01.04.2022				
				31.03.2023		Nil movement during the year	99,575	0.56
6	UMAYA TRADING PVT LTD	89,012	0.50	01.04.2022				
				31.03.2023		Nil movement during the year	89,012	0.50
7	BHARATH C.JAIN (#)	72576	0.41	01.04.2022				
				22.04.2022	600	Sell	71,976	0.41
				06.09.2022	15565	Sell	56,411	0.32
				09.09.2022	21763	Sell	34,648	0.20
				16.09.2022	34648	Sell	-	0.00
				31.03.2023			0	0.00
8	KRISHNAN I.SUBRAMANIAN (#)	72,000	0.41	01.04.2022				
				24.02.2023	12850	Sell	59,150	0.33
				31.03.2023			59,150	0.33
9	SUDHA JAWAHAR SHAH (*)	68,000	0.38	01.04.2022				
				08.04.2022	49053	Buy	117,053	0.66
				15.04.2022	23447	Buy	140,500	0.79
				22.04.2022	4500	Sell	136,000	0.77
				29.04.2022	19000	Sell	117,000	0.66
				06.05.2022	27000	Sell	90,000	0.51
				13.05.2022	27000	Sell	63,000	0.36
				20.05.2022	18000	Sell	45,000	0.25
				24.06.2022	18000	Sell	27,000	0.15
				29.07.2022	9000	Sell	18,000	0.10
				30.09.2022	18000	Sell	0	0.00
				31.03.2023			0	0.00

10	KAPILJ BHAT (#)	62,489	0.35	01.04.2022				
								Nil movement during the year
				31.03.2023			62,489	0.35
11	INTERGRATED INVESTMENT MANAGEMENT SERVICES (*)	0	0.00	01.04.2022				
				16.09.2022	20,000	Buy	20,000	0.11
				23.09.2022	15,000	Buy	35,000	0.20
				30.09.2022	7,000	Buy	42,000	0.24
				07.10.2022	6,500	Buy	48,500	0.27
				14.10.2022	7,500	Buy	56,000	0.32
				21.10.2022	9,000	Buy	65,000	0.37
				28.10.2022	5,000	Buy	70,000	0.40
				04.11.2022	9,946	Buy	79,946	0.45
				11.11.2022	12,054	Buy	92,000	0.52
				18.11.2022	10,000	Buy	102,000	0.58
				25.11.2022	3,000	Buy	105,000	0.59
				02.12.2022	31,000	Buy	136,000	0.77
				09.12.2022	12,000	Buy	148,000	0.84
				16.12.2022	7,000	Buy	155,000	0.88
				23.12.2022	4,802	Buy	159,802	0.90
				30.12.2022	15,198	Buy	175,000	0.99
				31.03.2023			175,000	0.99
12	INTEGRATED INSURANCE BROKING SERVICES PRIVATE LIMITED (*)	0	0.00	01.04.2022				
				30.12.2022	8100	Buy	8,100	0.05
				06.01.2023	22600	Buy	30,700	0.17
				13.01.2023	11668	Buy	42,368	0.24
				20.01.2023	13609	Buy	55,977	0.32
				27.01.2023	15137	Buy	71,114	0.40
				03.02.2023	21796	Buy	92,910	0.53
				10.02.2023	5090	Buy	98,000	0.55
				17.02.2023	12000	Buy	110,000	0.62
				24.02.2023	761	Buy	110,761	0.63
				03.03.2023	14691	Buy	125,452	0.71
				10.03.2023	12120	Buy	137,572	0.78
				17.03.2023	1428	Buy	139,000	0.79
				31.03.2023			139,000	0.79
13	SAJITH ARAVINDAKSHAN (*)	0	0	01.04.2022				
				15.07.2022	26000	Buy	26000	0.15
				02.09.2022	20000	Buy	46000	0.26
				16.09.2022	20000	Buy	66000	0.37
				13.01.2023	15000	Buy	81000	0.46
				31.03.2023			81000	0.46
14	INDIRADEVI K (*)	0	0.00	01.04.2022				
				15.07.2022	10000	Buy	10,000	0.06
				29.07.2022	5000	Buy	15,000	0.09
				05.08.2022	10000	Buy	25,000	0.14
				26.08.2022	10000	Buy	35,000	0.20
				16.09.2022	10000	Buy	45,000	0.25
				30.09.2022	10000	Buy	55,000	0.31
				13.01.2022	10000	Buy	65,000	0.37
				31.03.2023			65,000	0.37

\* Not in the list of top 10 shareholders as on 01.04.2022. The same has been reflected above since the shareholder is one of the top 10 shareholders as on 31.03.2023.

# Ceased to be in the list of top 10 shareholders as on 31.03.2023. The same has been reflected above since the shareholder was one of the top 10 shareholders as on 01.04.2022.

**(v) Shareholding of Directors & KMP**

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	
		No. of shares at the beginning of the yr (01/04/22)	% of total shares of the Company	No. of shares end of the yr (31/03/23)	Reason	No. of shares	% of total shares of the Company	
<b>A DIRECTORS</b>								
1	Mr. Makrand M. Appalwar Chairman & Managing Director	3,827,450	21.64	01.04.2022 30.09.2022 02.12.2022 31.03.2023	11,000 1,000	Buy Buy	3,838,450 3,839,450 3,839,450	21.70 21.70
2	Mrs. Rinku M. Appalwar Executive Director & CFO	2,367,746	13.38	01.04.2022 31.03.2023	-	Nil movement during the year	2,367,746	13.38
3	Mr. Krishnan I. Subramanian Whole-Time Director	72,000	0.41	01.04.2022 24.02.2023 31.03.2023	12,850	Sell	59,150 59,150	0.33 0.33
4	Mr. Prashant K. Lohiya Non-Executive Director & Independent Director	6,250	0.04	01.04.2022 31.03.2023	-	Nil movement during the year	6,250	0.04
5	Dr. Venkatesh G. Joshi Non-Executive Director & Independent Director	-	-	01.04.2022 31.03.2023	-	Nil movement during the year	-	-
6	Mr. Rama A. Krishnan Non-Executive Director & Independent Director	-	-	01.04.2022 31.03.2023	-	Nil movement during the year	-	-
<b>B KEY MANAGERIAL PERSONNEL (KMP's)</b>								
1	Mr. Makrand M. Appalwar Chairman & Managing Director	3,827,450	21.64	01.04.2022 30.09.2022 02.12.2022 31.03.2023	11,000 1,000	Buy Buy	3,838,450 3,839,450 3,839,450	21.70 21.70
2	Mrs. Rinku M. Appalwar Executive Director & CFO	2,367,746	13.38	01.04.2022 31.03.2023	-	Nil movement during the year	2,367,746	13.38
3	Mr. Krishnan I. Subramanian Whole-Time Director	72,000	0.41	01.04.2022 24.02.2023 31.03.2023	12,850	Sell	59,150 59,150	0.33 0.33
4	Mr. Kaushal R. Patvi Company Secretary & Compliance Officer	-	-	01.04.2022 31.03.2023	-	Nil movement during the year	-	-

**V INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning 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	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,442.14</b>	<b>0.51</b>	<b>1,442.65</b>
Change in Indebtedness during the financial year			
Additions	497.22	-	497.22
Reduction	469.21	0.51	469.72
<b>Net Change</b>	<b>28.01</b>	<b>(0.51)</b>	<b>27.49</b>
Indebtedness at the end of the financial year			
i) Principal Amount	1,468.46	0.00	1,468.46
ii) Interest due but not paid	0.75	-	0.75
iii) Interest accrued but not due	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,469.21</b>	<b>0.00</b>	<b>1,469.21</b>

## 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
		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.	7,626,666	7,040,000	1,500,000	16,166,666
(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)	7,666,266	7,079,600	1,500,000	16,245,866

### B. Remuneration to other directors:

SI No.	PARTICULARS OF REMUNERATION	NAME OF THE DIRECTORS			TOTAL
		Prashant K Lohiya	Rama A Ksirhnan	Venkatesh G. Joshi	
1	Independent Directors				
(a)	Fee for attending board/ committee meetings	125,500	125,500	125,500	376,500
(b)	Commission	-	-	-	-
(c)	Others, please specify	-	-	-	-
	Total (1)				
2	Other Non Executive Directors				
(a)	Fee for attending board/ committee meetings	-	-	-	-
(b)	Commission	-	-	-	-
(c)	Others, please specify.	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	125,500	125,500	125,500	376,500
	<b>Total Managerial Remuneration*(A+B)</b>				<b>16,622,366</b>

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

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SI No.	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL			TOTAL
		Managing Director (Makrand M Appalwar)	Chief Financial Officer (Rinku M Appalwar)	Company Secretary (Kaushal R. Patvi)	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	7,626,666	7,040,000	1,600,011	16,266,677
(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	7,666,266	7,079,600	1,600,011	16,345,877

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 78%. 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 is under 108 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 60+ 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 60+ 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 analyse, how it can impact the whole organisation. The fact that Emmbi is an 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.

#### 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 31st March, 2023

[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 31st March 2023 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 31st March 2023 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, 2018; 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, 2021; 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, 2021; 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, 2021; 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, 2018; 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 & confirm that** the company has maintained Structured Digital Database in compliance with the Regulation 3(5) and 3(6) of Securities and Exchange Board Of India (Prohibition Of Insider Trading) Regulations, 2015 for the year ended 31.03.2023

#### **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.

**For SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**  
**FCS 2655 /CP 1798**

**Place: Mumbai**  
**Date: 30th May, 2023**  
**UDIN: F002655E000419544**  
**Peer Reviewed Firm No. 2036/2022**

## 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  
Membership No. 2655 /CP No. 1798  
Date: 30th May, 2023  
Place: Mumbai  
UDIN: F002655E000419544

**ANNEXURE-4 TO BOARD'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 G. Joshi	Chairman	1	1
2.	Mr. Prashant K. Lohiya	Member	1	1
3.	Mr. Rama A. Krishnan	Member	1	1
4.	Mrs. Rinku M. 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. 181.69 Mn

(a) Two percent of average net profit of the company as per section 135(5): Rs. 3.63 Mn

(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: Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 3.63 Mn

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

Total Amount Spent for the Financial Year (Rs.in Million.)	Amount Unspent (Rs.in Million.)					
	Total Amount transferred to Unspent CSR Account as per section 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer	
3.63 Mn	Nil	Nil	Nil	Nil	Nil	Nil

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

(1) Sr. No.	(2) Name of the Project	(3) Items from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/ No)	(5) Location of the Project		(6) Amount spent for the project (Rs.in Million.)	(7) Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (Rs. in Million.)	(8) Mode of Implemen- tation – Direct (Yes/No)	(9) Mode of Implementation – Through Implementing Agency	
				State	District				Name	CSR Registration number
1	Healthcare Programme providing free medical treatment	Promoting healthcare including preventive health care	Yes	Maharashtra, New Delhi, UT. Of Dadra & Nagar Haveli and Daman & Diu.	Aurangabad, Mumbai, New Delhi, Palghar, Pune, Silvassa	1.11	Nil	No	Emmbi Foundation	CSR 00000243
2	Education Fees to children	Promoting Education	Yes	Maharashtra, UT. Of Dadra & Nagar Haveli and Daman & Diu.	Mumbai and Silvassa	0.22	Nil	No		
3	Social and Economic Development	Help to old age and senior citizens	Yes	Maharashtra	Mumbai and Satara	0.44	Nil	No		
4	Social and Economic Development	Promoting Education	Yes	UT. Of Dadra & Nagar Haveli and Daman & Diu.	Silvassa	0.20	Nil	No		
5	Har Ghar Tiranga	Protection of National Heritage, Art & Culture	Yes	UT. Of Dadra & Nagar Haveli and Daman & Diu.	Silvassa	0.18	Nil	Yes	Expenses directly through Company	Nil
6	Healthcare Programme providing free medical treatment	Promoting healthcare including preventive health care	Yes	UT. Of Dadra & Nagar Haveli and Daman & Diu.	Silvassa	1.53	Nil	Yes	Expenses directly through Company	Nil

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

(d) Amount spent in Administrative Overheads: Rs. 0.03 Mn

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 3.70 Mn

(g) Excess amount for set off, if any: Rs. 0.07 Mn

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

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

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

9. 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

10. 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.

Several long term projects have been identified and are under implementation and would take time for completion. Company has laid out a clear road map for achieving the desired results enunciated in its CSR policy and is confident of meeting the statutory requirement.

# 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: Mumbai  
Date: 30th May, 2023

(Makrand M. Appalwar)  
Chairman & Managing Director  
DIN: 00171950

(Dr. Venkatesh G. Joshi)  
Chairman of CSR Committee  
DIN: 01234871



# 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

The recent WEO update (World Economic Outlook report by IMF, April 2023) suggests that global growth is expected to slow-down to 2.90%, (3.20%) for the calendar, and expected to improve to 3.10% in 2024. The Asian economies would be the major drivers, with India expected to grow at upwards of 6%, and China at 5%. Regional Banks in the US, high inflation could impact the US economy adversely; in most economies, especially Europe addressing cost-of-living, and dis-inflation seem the talking points, amongst policy-setters. Higher interest rates, and Russia-Ukraine tensions continue to weigh down the global economy, though inflation is expected to fall to 6% levels, before settling down to pre-covid levels of 3.50%.

India faced tough headwinds since the Russia-Ukraine conflict, elevated crude-oil prices, supply disruptions - on account of both the lack of shipping containers, and supply-chain issues, and tightening financial conditions. Government measures in terms of Capital Expenditures partly offset the slowdown in private consumption and led to India overtaking UK as the fifth largest economy in the world. India is less exposed to international trade flows and is reliant more towards domestic consumption. India's current account remains in a comfortable, and foreign exchange reserves, more than adequate. The geopolitical situation also favours India in benefitting as a global supply-chain destination. The digitisation reforms and creation of platforms have led to financial inclusion across India's diaspora, would be a major driver in the medium term. The diverse economy, positive governmental policies and reforms, improving socio-economic scenario, increased urbanisation, higher disposable incomes, a stable government has made it an attractive investment destination.

## 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 Packaging sector in India is estimated at over \$415 billion, and this is expected to exhibit around 6% growth in the next five years. While the size of the Global Polymer industry is expected to reach around 800 billion by 2027 with CAGR of 5.5 %.

Despite being one of the world's largest economies, India lags in per capita the consumption of polymers which is just under 10kgs vis-à-vis 100 kg in developed countries and World Average 30kgs.

We are proud to state that we have over 30 individual products that cater to a client base of over 200, spread across 60 + countries. The best part is though the products are used by different countries and multiple industries, the mother of all products remain in "Technical Textile". This unique ability to remain present in many industries while maintaining the economies of scale.

## Business Segments and Geographies

### B2B Businesses

### International Business

Revenues from Exports stood at Rs. 2459.25 million, notably across 60+ countries. The new wave of Sustainable packaging is giving good lift to Emmbi's Reclaim30 range of products, countries like US, Spain and Italy have already implemented hard regulations for the usage of polymer based packaging and usage of recycled material based packaging is incentivised by favourable duty structures. Emmbi's investment in reclaim range of products will definitely yield much better results in year to come.

## Domestic Business

Domestic business stood at Rs. 1894.00 million for fiscal '23. 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

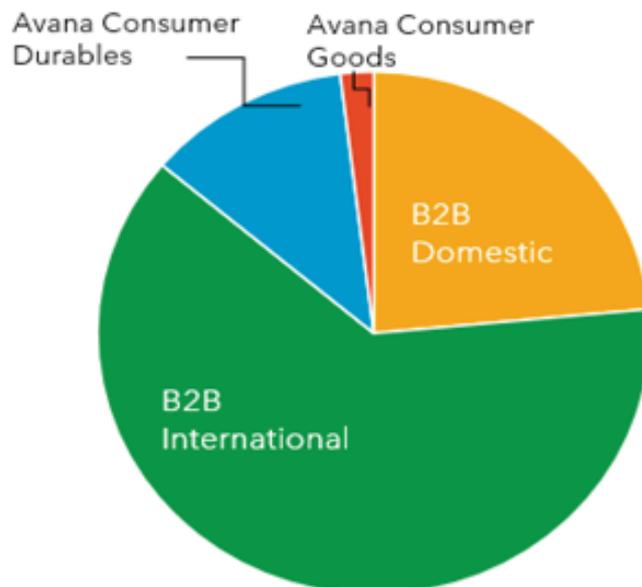
The growth in agriculture sector seems muted, however Emmbi's business to the agricultural sectors stands at Rs. 722.35 million. We are now well entrenched in Maharashtra, Rajasthan, Madhya Pradesh, Karnataka and made decent forays into Uttar Pradesh, Haryana, Andhra Pradesh, and Telangana. The business which started with making reservoirs for the agriculture & farming sector is now also very popular choice for the Commercial Fishing Ponds for Fish & Aquaculture ponds for Shrimp farming New application of Industrial wastewater treatment & storage tanks is becoming more and more popular with governments initiative of increased care from water pollution

### 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. Introduction and Spread of Reclaim 30© range of products
2. Consistent Growth in International demand of products under Advance Composites & Speciality Packaging.
3. Improved capacity utilisation across all the manufacturing units.
4. Emmbi's innovation, track record, and distribution network makes it a first-choice provider for existing clients and serves as a referral base.
5. 'Avana' that has made a mark in few states, is expanding across Indian and introducing newer products, that have found tremendous acceptance.
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 substantial share of this business.
8. Consumption Shift in B2C, the increased e-commerce (Avanamart) has resulted a new revenue stream for the company

## Vertical-wise Breakdown



Figures as on 31.03.2023

## **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 to a near zero levels. A Special AI based manufacturing tools have greatly helped to control the manufacturing "Lot Sizes" thereby reducing the non salable surplus material. This helped us to control the material consumption to great extent.

### **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 oil, ocean fright or currency variation thereby its derivatives impact the income statement or capital in an adverse manner.

More-over the relationship between crude oil prices, and polymer prices is not entirely direct. Finally, it is the many stages derivative Polypropylene that goes into our products, and the actual 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.

### **Earnings**

Our revenues stands at Rs 4353.25 million which was translated into an EPS of Rs. 4.67.

### **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 or internal systems. We are in the process of "Integrated Management System" (IMS) a customised combination of ISO 9001:2015, 14001:2015 and 45001:2018. We have also reduced waste by 50%, and we plan to become a 'zero' waste company over the next eight quarters. Company also runs a Certified AA Grade "Clean Manufacturing Facility" for food & Pharmaceutical grade materials. We are having multiple units certified by ISO 22000 for the "Industrial Clean" grade products. We are also "Kosher" & "Halal" certified. The best practices with the employees also helped us to get "Sedex" registration.

### **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 Corporate Governance Section).

### **Information Technology**

All our plants across the locations are integrated, and they in-turn communicate to the head offices, through various 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. Entire data of the company is securely stored and is accessible to all the authorised personal from remote locations.

### **Research & Development**

Emmbi runs full-fledged R&D centre called "Emmbi Innovation Lab" for about past decade, 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 ~1.50% of revenues towards, research and product development. This not only helps us getting tangible benefits like tax breaks, VAT benefits, preferred bidder for Government projects, etc.

We also get invaluable intangible benefits such as visibility in the international arena, through government initiatives.

Emmbi Innovation Lab has been extremely successful in developing various Products & Processes which gave us an edge over our competition. We have filled 13 Product & 5 Processes Patents in the past decade. 2 Patents have been already awarded and balance are in the processes of getting vetted by the department.

### **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 M. Appalwar**  
**Chairman & Managing Director**  
**DIN: 00171950**

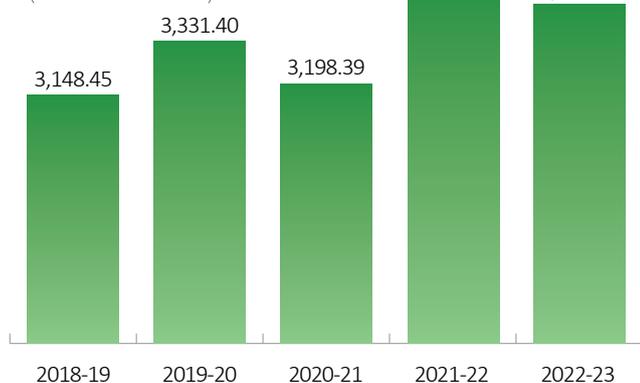
**Place: Mumbai**  
**Date: 30th May, 2023.**

# FINANCIAL PERFORMANCE



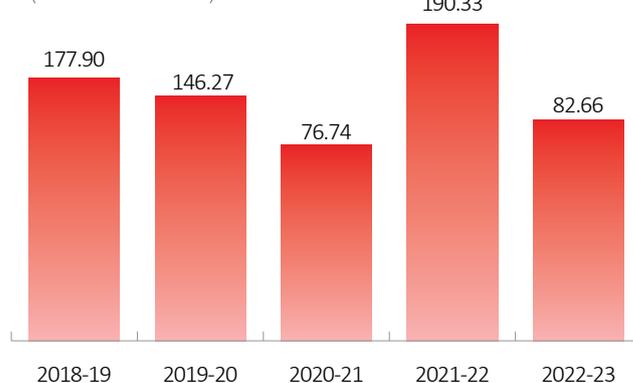
## Total Sales

(Rs. in Millions)



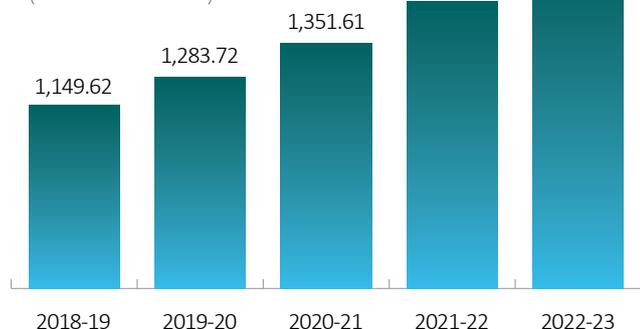
## Profit After Tax

(Rs. in Millions)



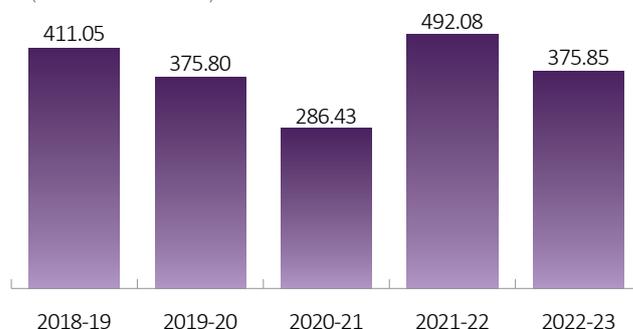
## Networth

(Rs. in Millions)



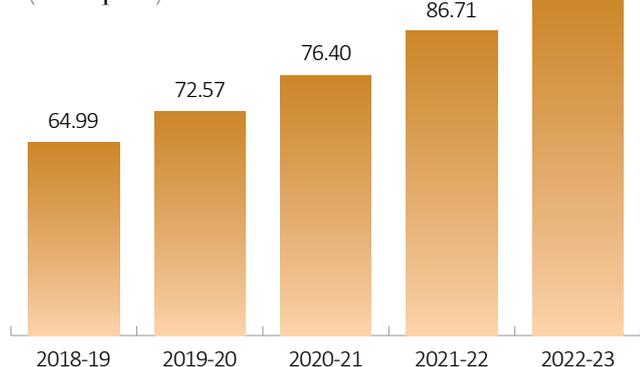
## EBIDTA

(Rs. in Millions)



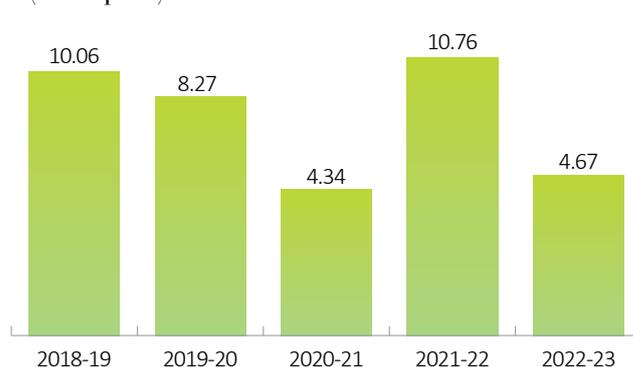
## Book Value

(in Rupees)



## EPS Basic

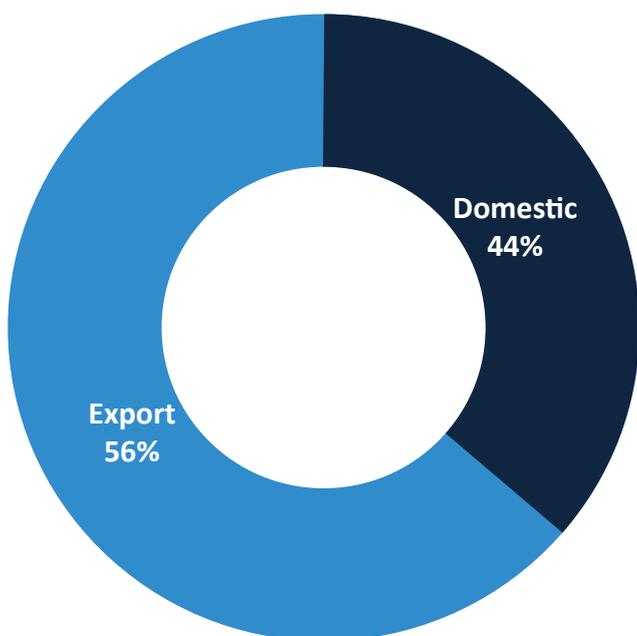
(in Rupees)



## Statement of Income

### Revenue from Operations

The Company recorded revenue of Rs. 4,353 million (Rs. 5104 million). The fungibility, and flexibility of the factory, and the production lines, helped to achieve this revenue despite of major slowdown in global market especially in Europe due to Russia-Ukraine War.



### Cost of Operations

Cost of Material consumed stood at Rs. 2,421 million (Rs. 2,819 million) and Employee Costs at Rs. 169 million (Rs. 197 million). Increased usage of “Reclaim” material, Reduction in operating wastage. Constant 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 during the period of slowdown.

### Cost of Finance

Finance costs stood at Rs. 157 million (Rs. 147 million). Increase in finance cost is caused by increase in Repo rate by Reserve Bank of India 6 times in FY 2022-23 from 4.00% on 08.04.2022 to 6.50% on 08.02.2023.

### Profits and Distribution

Emmbi industries reported after-tax profit of Rs. 83 million (Rs. 190 million). The Company’s liquidity, and financial position continued to remain strong, with substantial buffer in the sanctioned lines of credit lines of credit. The company declared a dividend of Re. 0.30 per share.

### Balance Sheet Items

It has managed its debt at a very conservative Debt-Equity level of 0.91x.

### Assets and Deployment

Assets for the year stood at Rs. 3,663 million (Rs. 3,546 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 MT per annum.

### Current Assets

Inventories stood at the year-end stood at Rs. 1040 million (Rs. 977 million); the increase on account of price fluctuations and volumes to match the demand.

Receivables stood at Rs. 690 million (Rs. 759 million). 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 108 days (96 days).

### 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 0.91x, and the current ratio at a healthy 1.48x. The company still had un-drawn lines of credit with banks. This indicated that liquidity, and the solvency parameters are strong, and the ability to absorb unforeseen shocks was tested, and proved resilient.

Total net worth increased to Rs. 1,607 million (Rs. 1,534 million), whilst overall bank borrowings stood at Rs. 1,468 million (Rs. 1,441 million). In the course of the year the company repaid it’s obligations.

# 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.

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company ('Emmbi') believes that corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At Emmbi, it is imperative that our Company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

The Company 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. During the financial year under review, adequate monitoring systems were followed to safeguard against major risk and to ensure implementation of policies and procedures in order to fulfill the Company's social, legal and ethical responsibilities.

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

## 2. BOARD OF DIRECTORS:

### i) COMPOSITION OF THE BOARD:

The Company believes that an active, well informed and independent board is necessary to ensure the highest standards of Corporate Governance. 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 Act read with the applicable rules made thereunder as amended from time to time. The Chairman of the Board is a Executive 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 31st March, 2023 are as follows:**

Name of the Directors	Nature of Directorship	Board Meetings during FY 2022-23		Attendance at the AGM held on 13th September, 2022	*No. of Directorship in other Companies (Excluding EIL)	**Chairmanship(s) and Membership(s) of Board Committees in other Companies as on 31st March, 2023 (Excluding EIL)		***Directorship in other Listed Entities	
		Held	Attended			Member	Chairman	Name of Listed Entity	Category of Directorship
Mr. Makrand M. Appalwar (DIN 00171950)	Chairman & Managing Director	4	4	Yes	4	-	-	-	-
Mrs. Rinku M. Appalwar (DIN-00171976)	Executive Director & CFO	4	4	Yes	3	-	-	-	-
Mr. Krishnan I. Subramanian (DIN-06614842)	Whole time Director	4	4	Yes	1	-	-	-	-
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	2	-	-	-	-

**Notes:**

\* This includes all Indian Companies, excluding Foreign Companies and Section 8 Companies.

\*\* This includes 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 2022-23, 4 Board Meetings were held i.e. on 16th May, 2022, 12th August, 2022, 10th November, 2022 and 14th February, 2023, 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 Directors, 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 16th May, 2022. During the meeting, the Independent Directors reviewed, among other critical issues, the following:

- a) The performance of Non-independent Directors and the Board as a whole;
- b) The performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors, and
- c) Assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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 <https://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. 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 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, Mrs. Rinku M. Appalwar (DIN 00171976), Whole Time Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers herself for re-appointment.

**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 ('Committee') 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:

#### a. 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.

#### b. 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.

#### c. 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 2022-23:**

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 R. 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 2022-23, 4 Audit Committee Meetings were held i.e. on 16th May, 2022, 12th August, 2022, 10th November, 2022 and 14th February, 2023, 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	Designation	No. of meetings attended during the financial year 2022-23
Mr. Prashant K. Lohiya	Chairman, Non-Executive Independent Director	4 of 4
Dr. Venkatesh G. Joshi	Member, Non-Executive Independent Director	4 of 4
Mr. Rama A. Krishnan	Member, Non-Executive Independent Director	4 of 4
Mrs. Rinku M. 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 2022-23:**

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

During FY 2022-23, 1(One) meeting of the NRC was held on 16th May, 2022. The composition of the Committee and the details of attendance of the Members at the NRC Meeting is given below:

<b>Name of the Members of NRC</b>	<b>Designation</b>	<b>No. of meetings attended during the financial year 2022-23</b>
Mr. Prashant K. Lohiya	Chairman, Non-Executive Independent Director	1 of 1
Dr. Venkatesh G. Joshi	Member, Non-Executive Independent Director	1 of 1
Mr. Rama A. 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 2022-23:****1. Non-Executive Directors and Independent Directors:**

The Independent Director Dr. Venkatesh G. Joshi and Mr. Prashant K. Lohiya have been re-appointed for fixed tenure of five years, whereas Mr. Rama A. Krishnan have been re-appointed for fixed tenure of two 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 the financial year 2022-23 are stated below, further, the number of shares and convertible instruments held by non-executive directors is mentioned as follows:

Name of the Directors	Sitting fees paid for attending Board and Committee Meetings (including TDS) (Amount in Rs.)	Number of shares and convertible instruments held by Non-Executive Directors
Mr. Prashant K. Lohiya	Rs. 1,25,500/-	6250, Equity Shares
Dr. Venkatesh G. Joshi	Rs. 1,25,500/-	0
Mr. Rama A. Krishnan	Rs. 1,25,500/-	0

## 2. Terms of appointment and remuneration of Executive Directors/Whole Time 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 2022-23 are as under:

Name of the Directors	Position	Remuneration (*)	Service Contract	Notice Period
Mr. Makrand M. Appalwar	Chairman and Managing Director	Rs. 78,00,000 per annum	Reappointed for 5 years w.e.f. 30th March, 2020	6 months
Mrs. Rinku M. Appalwar	Executive Director & CFO	Rs. 72,00,000 per annum	Reappointed for 5 years w.e.f. 30th March, 2020	6 months

(\*) Break up of remuneration paid /payable to Mr. Makrand M. Appalwar and Mrs. Rinku M. Appalwar for FY 2022-23 is as under:

Components	Mr. Makrand M. Appalwar	Mrs. Rinku M. Appalwar
Salaries, Allowances and Perquisites (#)	Rs. 76,66,266	Rs. 7,079,600
Contribution to Provident and other funds	Nil	Nil
Performance Bonus	Nil	Nil
Stock Option	Nil	Nil
Pension	Nil	Nil
<b>Total</b>	<b>Rs. 76,66,266</b>	<b>Rs. 70,79,600</b>



(#) 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 2022-23:

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

During FY 2022-23, 4 (Four) meeting of the SRC was held on 16th May, 2022, 12th August, 2022, 10th November, 2022 and 14th February, 2023, 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	Designation	No. of meetings attended during the financial year 2022-23
Mr. Prashant K. Lohiya	Chairman, Non-Executive Independent Director	4 of 4
Mrs. Rinku M. Appalwar	Member, Executive Director and CFO	4 of 4
Dr. Venkatesh G. Joshi	Member, Non-Executive Independent Director	4 of 4
Mr. Rama A. Krishnan	Member, Non-Executive Independent Director	4 of 4



**Other details:**

The details of investor complaints received and redressed during the financial year 2022-23 are as follows:

No. of complaints pending as on 1st April, 2022	No. of complaints received during the financial year	No. of complaints attended during the financial year	No. of complaints pending as on 31st March, 2023
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 31st March, 2023, 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 R. Patvi, Company Secretary and Compliance Officer acts as the Secretary to the CSR Committee.

During the financial year 2022-23, 1 (One) meeting of the CSR Committee was held on 16th May, 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 CSR	Designation	No. of meetings attended during the financial year 2022-23
Dr. Venkatesh G. Joshi	Chairman, Non-Executive Independent Director	1 of 1
Mr. Prashant K. Lohiya	Member, Non-Executive Independent Director	1 of 1
Mr. Rama A. Krishnan	Member, Non-Executive Independent Director	1 of 1
Mrs. Rinku M. Appalwar	Member, Executive Director and CFO	1 of 1



**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, 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 Members	Designation
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

#### 4. GENERAL BODY MEETINGS

##### Annual General Meeting (AGM):

AGM Year ended	Financial Year ended	Date and Time	Location	Whether any special resolution was passed
28th	31st March, 2022	13th September, 2022 at 11.30 a.m	Meeting was held through Video Conferencing / Other Audio Visual Means	Appointment of Mr. Rama A. Krishnan as Independent Director of the Company.  Approval for increase in remuneration of Mr. Makrand M. Appalwar ,Chairman & Managing Director of the Company and Mrs. Rinku M. Appalwar, Executive Director and CFO of the Company.
27th	31st March, 2021	28th 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 Whole-time Director of the Company.
26th	31st March, 2020	12th September, 2020 at 10.30 a.m.	Meeting was held through Video Conferencing / Other Audio Visual Means	Re-appointment of Mr. Prashant K. Lohiya and Dr. Venkatesh G. Joshi as Independent Directors of the Company.

##### Extra Ordinary General Meeting and Postal Ballot:

During FY 2022-23, there was no resolution passed through Extra Ordinary General Meeting and Postal Ballot. Further, as on the date of this report, there is no special resolution proposed to be passed through Extra Ordinary General Meeting and Postal ballot.

#### 5. 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 at Note No.36 to 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 <https://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. Further, no personnel of the Company has been denied access to the Audit Committee.

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

The Company has fully 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 directly reports to the Audit Committee
- For FY 2022-23, there was no audit qualifications in the Company's financial statements. The Statutory Auditors have issued the audit report for the financial year ended 31st March, 2023 with unmodified opinion.

**e) Material Subsidiaries:**

The Company does not have any subsidiary company as on 31st March, 2023. 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 <https://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 2022-2023 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 Secretaries, certifying that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company, by the Securities and Exchange Board of India or the 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 2022-23.

**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 2022-23 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) Credit Rating**

The Company has not issued any debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad, during the financial year under review. Thus, the requirement of credit rating for the said instruments is not applicable.

**t) Recommendation 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.

**u) 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, skills, experience (including the proficiency) and expertise in their respective fields and that they hold highest standards of integrity.

**6. MEANS OF COMMUNICATION:**

**Financial Results:**

The financial results of the Company are generally published in Economic Times (English and Gujarati) or The Financial Express (English and Gujarati) daily newspapers, having wide circulation.

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.

**7. GENERAL INFORMATION TO SHAREHOLDERS:**

Day, Date, Time and Venue of AGM	Saturday, 12th August, 2023 at 11.30 a.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
Financial Year	1st April, 2022 to 31st March, 2023
Date of Book Closure/Record Date	Sunday, 6th August, 2023 to Saturday, 12th August, 2023 (both days inclusive).
Record date for determining the entitlements of shareholders to receive dividend for FY 2022-23	Saturday, 5th August, 2023
Dividend Payment Date	On or before 10th September, 2023
Listing on Stock Exchanges and payment of Listing Fees	The Company is listed on the below mentioned stock exchanges:  <b>BSE Limited,</b> P. J. Towers, Dalal Street, Mumbai - 400 001  <b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051  Further, the Listing Fees for the financial year 2023-24, as applicable, has been paid, within the stipulated time.
Stock Code	BSE: 533161 NSE: EMMBI
Registrar and Transfer Agents	<b>Datamatics Business Solutions Limited</b> Plot No. B-5, Part B Crosslane, MIDC, Marol, Andheri (East), Mumbai – 400 093 Tel No.: +91 22 6671 2001 Fax No.: +91 22 6671 2191 Email: <a href="mailto:investorsqry@dfssl.com">investorsqry@dfssl.com</a>

**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. 1st 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 1st 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 a certificate from Practicing Company Secretary, 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:**

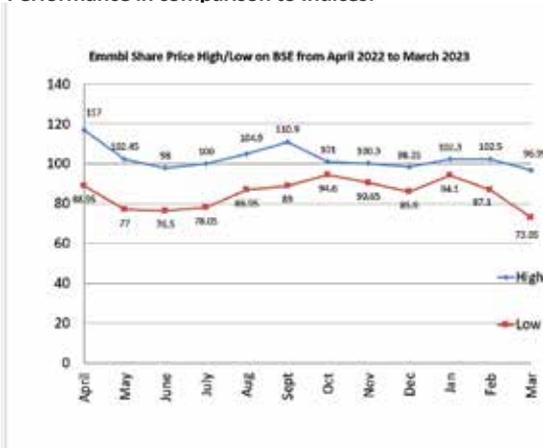
The Market Price Data (High, Low and Volumes) during each month of the Financial Year 2022-23 is as under:

Month	BSE Limited (in Rs.)		National Stock Exchange of India Limited (in Rs.)	
	High	Low	High	Low
April, 2022	117.00	88.95	118.65	86.20
May, 2022	102.45	77.00	102.00	82.05
June, 2022	98.00	76.50	97.15	76.50
July, 2022	100.00	78.05	96.00	78.50
August, 2022	104.90	86.95	104.90	87.10
September, 2022	110.90	89.00	111.35	89.20
October, 2022	101.00	94.60	102.15	93.35
November, 2022	100.30	90.65	101.00	90.55
December, 2022	98.35	85.90	98.65	86.00
January, 2023	102.30	94.10	102.90	93.55
February, 2023	102.50	87.10	102.70	87.80
March, 2023	96.99	73.05	97.00	73.20

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



**iv. Distribution of Shareholding:**

The distribution of Shareholding as on 31st March, 2023 is as under:

No. of Equity Shares held	Shareholders		Shares	
	Number	% of Total Shareholders	Number	% of Total Shares
1-500	9610	86.19	1118706	6.32
501-1000	741	6.65	601322	3.40
1001-2000	406	3.64	607025	3.43
2001-3000	139	1.25	350857	1.98
3001-4000	54	0.48	193403	1.09
4001-5000	49	0.44	231195	1.31
5001-10000	111.35	89.20	469390	2.65
10001-50000	62	0.56	1211989	6.85
50001 and above	23	0.21	12906363	72.96
<b>TOTAL</b>	<b>11150</b>	<b>100.00</b>	<b>17690250</b>	<b>100.00</b>

**FIRE  
RETARDANT  
FIBC**



**v. Categories of Shareholding:**

The Categories of Shareholding as on 31st March, 2023 is as under:

Category	No. of Shares Held	% of Shareholding
<b>A. Promoter's Holding</b>		
1. Promoters		
- Indian Promoters	1,03,27,217	58.38
- Foreign Promoters	0	-
2. Person Acting In Concern		
	0	
<b>Sub – Total</b>	<b>1,03,27,217</b>	<b>58.38</b>
<b>B. Non – Promoter's Holding</b>		
3. Institutional Investors		
- Mutual Funds & UTI	0	0.00
- Banks, Financial Institutions, Insurance Companies, Etc.	0	0.00
- (Central/ State Govt. Inst., Non-Govt. Inst.)	0	0.00
- FIIS	12,45,720	7.04
<b>Sub – Total</b>	<b>12,45,720</b>	<b>7.04</b>
4. Others		
- Corporate Bodies	7,34,027	4.15
- Indian Public	46,40,008	26.23
- NRIs /OCBs/AIF	7,16,704	4.05
- Any other ( IEPF)	26,574	0.15
<b>Sub – Total</b>	<b>61,17,313</b>	<b>34.58</b>
<b>Grand – Total</b>	<b>1,76,90,250</b>	<b>100.0</b>


**vi. Dematerialization of Shares:**

Equity shares of the Company representing almost 100 per cent are dematerialized as on 31st March, 2023.

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 31st March, 2023 is as under:

Description	Cases	Share	% of Shares
Physical	1	10	0.00
CDSL	6602	2743326	15.51
NSDL	4547	14946914	84.49
<b>TOTAL</b>	<b>11150</b>	<b>17690250</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 31st March, 2023, 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/2018/000000141 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 and Daman & Diu, 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 and Daman & Diu, 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 and Daman & Diu, Silvassa –396 230.

**Manufacturing Facility No. 4**

Survey No. 87, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli and Daman & Diu, Silvassa –396 230.

**Manufacturing Facility No. 5**

Survey No. 28A & 42, Masat Industrial Estate, U.T. of Dadra & Nagar Haveli and Daman & Diu, Silvassa –396 230.

**Manufacturing Facility No. 6**

Survey No. 59/9/1, Part 1 and 2, Masat, U.T. of Dadra & Nagar Haveli and Daman & Diu, Silvassa –396 230.

**Manufacturing Facility No. 7**

Survey No. 99/2/12, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli and Daman & Diu, Silvassa –396 230.

**Manufacturing Facility No. 8**

Survey No. 99/2, NEAR KEI INDUSTRIES LIMITED, PLOT NO 12, Madhuban Road, MADHUBAN INDUSTRIAL ESTATE, RAKHOLI, Alok City, Dadra and Nagar Haveli and Daman and Diu, 396240

**x. ADDRESS FOR CORRESPONDENCE:**

**Registered Office:**

99/2/1&9, Madhuban Industrial Estate,  
Madhuban Dam Road, Rakholi Village,  
U.T. of Dadra & Nagar Haveli,  
Silvassa 396230.  
Tel No.: +91 (0260) 320 0948

**Corporate Office:**

Ground Floor of the Main Building,  
Dani Corporate Park, 158, 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

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

**Makrand M. Appalwar**  
(DIN: 00171950)  
Chairman & Managing Director

Place: Mumbai

Date: 30th May, 2023

**HAZARDOUS  
WASTE  
REMOVAL  
BAG**



Sr. No.	Particulars	Regulation	Compliance Status 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



# CORPORATE GOVERNANCE CERTIFICATE



To,  
The Members of  
**EMMBI INDUSTRIES LIMITED**

PRACTISING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

1. I, Sanjay Dholakia, Practising Company Secretary, the Secretarial Auditor of EMMBI INDUSTRIES LIMITED (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

## Managements’ Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

## Auditor’s Responsibility

3. My responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. I have examined relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

## Opinion

5. Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2023.

6. I 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.

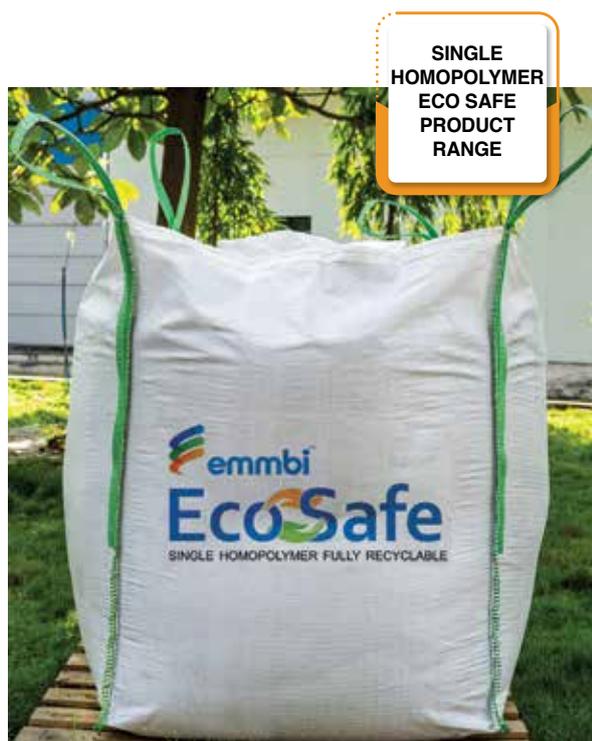
## For SANJAY DHOLAKIA & ASSOCIATES

(SANJAY DHOLAKIA)  
**Practising Company secretary**  
Proprietor

Membership No. 2655  
C P No.: 1798

Place: Mumbai  
Date: 30th May, 2023

**UDIN:F002655E000419467**



# CERTIFICATIONS AND DECLARATIONS



## MD/CFO Certificate

To,  
The Board of Directors,  
Emmbi Industries Limited

We, Makrand M. Appalwar, Managing Director and Mrs. Rinku M. 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 31st March, 2023 and that to the best of our knowledge and belief:
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2) 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) They have indicated to the Auditors and the Audit committee:
- 1) that there are no significant changes in internal control over financial reporting during the year;
  - 2) that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3) that there have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

## FOR EMMBI INDUSTRIES LIMITED

**Makrand M. Appalwar**  
Managing Director  
(DIN:00171950)

**Rinku M. Appalwar**  
Executive Director & CFO  
(DIN:00171976)

Place: Mumbai  
Date: 30th May, 2023

## 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, 2023.

Place: Mumbai  
Date: 30th May, 2023

For Emmbi Industries Limited  
**Makrand M. 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, UT of DNH & DD, 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 31st March, 2023 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 M. Appalwar	00171950	29/11/1994
2.	Mrs. Rinku M. Appalwar	00171976	29/11/1994
3.	Mr. Rama A. Krishnan	00546256	31/03/2018
4.	Dr. Venkatesh G. Joshi	01234871	11/12/2010
5.	Mr. Prashant K. Lohiya	02990858	31/05/2010
6.	Mr. Subramanian I. 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: 30th May, 2023  
UDIN: F002655E000419412





# FROM DISASTER TO SUSTAINABILITY

Mention the word “Chernobyl” and the three words that come to mind are Disaster, Death and Destruction. One of two worst nuclear accidents in human history (the second was Fukushima, in 2011), the No. 4 Reactor at the Chernobyl power exploded during a test in April 1986. In the secret emergency operation to put out the fires, 237 emergency workers were hospitalized, out of which 134 displayed symptoms of radiation poisoning, 28 of them died. Even after the fires were put out, the reactor continued to spew harmful radiation into the atmosphere. A large proportion of the contaminants landed in Byelorussia (now Belarus), about 16 kilometers away. A 10-km radius ‘exclusion zone’ was established around the plant and about 49,000 people were evacuated. Later, an additional 60,000 people were evacuated and the exclusion zone was increased to a radius of 30 kilometers. Pripjat, the city where the power plant was, turned into a ghost city, and lay largely forgotten.

But, in the three-odd decades since the disaster, something spectacular is happening in Pripjat. Devoid of humans, nature slowly began taking over with the concrete jungles being replaced by real ones.

Today, the Chernobyl Exclusion Zone (CEZ) covers an area of about 2,800 square kilometers in northern Ukraine. This represents mainland Europe’s third-largest nature reserve.

Plant Movement is perhaps the best example of what can be achieved when citizens begin to come together for the planet.

The pine plantations that were there in 1986 gave way to a much more biodiverse primary forests which are more resilient to climate change and can sequester more carbon.

And, with this increased biodiverse forest came more diverse animals, too. Rare species like the lynx and the vulnerable European bison have seen a resurgence. In the Belarussian part of the exclusion zone, researchers have found that boar, elk and roe deer populations boomed in the 10 years following the disaster. Wolves were also observed to have increased sevenfold.

The central part of the CEZ is now home to a major solar farm development. Wind farms are also being considered.

Chernobyl, the site of one of the worst nuclear accidents in human history, is now contributing significantly to a sustainable future.

# INDEPENDENT AUDITOR'S REPORT



## TO THE MEMBERS OF EMMBI INDUSTRIES LIMITED

### Report on the Audit of 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, 2023, 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 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, 2023, 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

Revenue Recognition  
-The Company recognises revenue from products when performance obligations are fulfilled at the time of dispatch.

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.

(See Note 3.4 & Note 26 to the standalone financial statements)

#### Auditor's Response

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:

-We obtained an understanding of the revenue recognition process and tested the Company's controls around the timely and accurate recording of sales transactions.

-We tested the access and change management controls of the relevant information technology system in which shipments are recorded.

### **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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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)

R S. Daliya  
Partner  
(M No. 043703)  
UDIN : 23043703BGXJRN7773

Place : Mumbai  
Date : 30.05.2023

# 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 31st March, 2023 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 31st March 2023, 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.

**For and on behalf of  
R Daliya & Associates  
Chartered Accountants  
FRN :. 102060W.**

**Place : Mumbai  
Date : 30.05.2023**

**R S. Daliya  
Partner  
Membership No. :- 043703.  
UDIN : 23043703BGXJRN7773**

**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.
- (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 36.
- (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 31st March, 2023 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 31st March, 2023.
- 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 its Directors or persons connected to its Directors 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 : 30.05.2023

For and on behalf of  
R Daliya & Associates  
Chartered Accountants  
FRN :. 102060W  
R. S. Daliya  
Partner  
Membership No. :- 043703  
UDIN : 23043703BGXJRN7773

**WORLD'S MOST  
AFFORDABLE  
WATER  
STORAGE  
SOLUTION AVANA  
PONDLINER**



## BALANCE SHEET AS AT 31ST MARCH, 2023

PARTICULARS	NOTES	AS AT 31 MARCH, 2023 (INR MILLION)	AS AT 31 MARCH, 2022 (INR MILLION)
<b>A ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant & Equipment	5	1,468.58	1,369.49
(b) Capital Work In Progress	5	46.20	-
(c) Intangible Assets	5	149.39	149.72
(d) Financial Assets			
a) Investments	6	0.13	0.23
b) Loans	7	-	1.03
c) Other Financial Assets	8	15.30	18.14
Deferred tax Asset- MAT Credit Entitlement		-	-
Income Tax Asset	9	73.56	101.88
Other Non-Current Assets	10	1.41	1.84
Sub Total- Non Current Assets		1,754.55	1,642.32
<b>2. Current Assets</b>			
Inventories	11	1,039.80	976.95
Financial Assets			
(a) Trade receivables	12	689.78	759.35
(b) Cash & Cash Equivalent	13	13.15	9.56
(c) Bank balances other than b) above	14	2.80	0.34
Other Current Assets	15	162.92	157.52
Sub Total- Current Assets		1,908.45	1,903.72
<b>TOTAL ASSETS</b>		<b>3,663.00</b>	<b>3,546.04</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	16	176.90	176.90
(b) Other Equity	17	1,429.94	1,357.09
Sub Total- Share Holders' Fund		1,606.84	1,534.00
<b>2. Non-Current Liabilities</b>			
Financial Liabilities			
(a) Borrowings	18	544.14	500.88
Other Non Current Liabilities		-	-
Employee Benefit Provisions	19	16.13	13.98
Deferred Tax Liabilities	20	128.55	115.70
Liabilities for Income Tax	21	74.06	106.42
Sub Total- Non Current Liabilities		762.89	736.98
<b>3. Current Liabilities</b>			
Financial Liabilities			
(a) Borrowings	22	924.32	940.09
(b) Trade Payables			
(i) Dues to Micro Enterprises and Small Enterprises (MESE)	23	-	-
(ii) Payables other than MESE	23	346.90	313.23
(c) Other Financial Liabilities	24	22.05	21.75
Provisions		-	-
Sub Total- Current Liabilities		1,293.28	1,275.07
<b>TOTAL LIABILITIES</b>		<b>3,663.00</b>	<b>3,546.04</b>
Significant Accounting Policies and Notes on Financial Statements	1 to 42		

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

R. S. Daliya (Partner)  
Membership No. 043703  
Place : Mumbai  
Date : 30th May, 2023

Kaushal R. Patvi  
Company Secretary

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

Makrand M. Appalwar  
(Managing Director)  
DIN : 00171950

Rinku M. Appalwar  
(CFO & Director)  
DIN : 00171976

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

PARTICULARS	NOTES	AS AT 31 MARCH, 2023 (INR MILLION)	AS AT 31 MARCH, 2022 (INR MILLION)
<b>INCOME</b>			
Revenue from Operations	26	4,353.25	5,103.69
Less : GST recovered		642.43	747.48
Revenue from Operations (Net)		3,710.83	4,356.22
Other Income	27	1.22	1.05
<b>Total Income (I)</b>		<b>3,712.05</b>	<b>4,357.26</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	28	2,420.51	2,819.14
Changes in Inventories of Finished Goods and Stock-in-Process	29	(64.85)	(51.93)
Employees Benefits Expense	30	169.32	197.35
Finance Costs	31	157.01	146.62
Depreciation and Amortization Expense	32	98.97	87.38
Other Expenses	33	811.22	900.62
<b>Total Expenses (II)</b>		<b>3,592.19</b>	<b>4,099.18</b>
<b>Profit before Tax</b>		<b>119.86</b>	<b>258.08</b>
Tax Expenses			
(1) Current Tax		24.05	50.01
(2) Tax for earlier years		0.30	2.81
(3) Deferred Tax Liability		12.86	14.93
<b>Profit for the Period</b>		<b>82.66</b>	<b>190.33</b>
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
(1) Remeasurement of Defined Benefit Plans		0.80	(0.94)
(2) Income Tax		-	-
TOTAL		0.80	(0.94)
<b>Total Comprehensive Income</b>		<b>83.46</b>	<b>189.39</b>
<b>Earning Per Equity Share (RUPEES)</b>			
(1) Basic (of Rs 10/- each)	34	4.67	10.76
(2) Diluted (of Rs 10/- each)	34	4.67	10.76
Significant Accounting Policies and Notes on Financial Statements	1 to 42		

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

R. S. Daliya (Partner)  
Membership No. 043703  
Place : Mumbai  
Date : 30th May, 2023

Kaushal R. Patvi  
Company Secretary

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

Makrand M. Appalwar  
(Managing Director)  
DIN : 00171950

Rinku M. Appalwar  
(CFO & Director)  
DIN : 00171976

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

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, 2022	16	17.69	176.90
Balance as on March 31, 2023	16	17.69	176.90
<b>B. OTHER EQUITY</b>			
PARTICULARS	SECURITIES PREMIUM ACCOUNT	RETAINED EARNINGS	TOTAL
<b>Balance on April 1, 2021</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)
Tax Deducted at Source on above	-	(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>
Profits for the year 2022-23	-	82.66	82.66
Dividend paid for FY 2021-22	-	(9.63)	(9.63)
Tax Deducted at Source on above	-	(0.98)	(0.98)
Other Comprehensive Income / (Loss) for the year	-	0.80	(0.80)
<b>Balance at the end of the reporting period March 31, 2023 as per Ind AS</b>	<b>272.65</b>	<b>1,157.29</b>	<b>1,429.94</b>

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

R. S. Daliya (Partner)  
Membership No. 043703  
Place : Mumbai  
Date : 30th May, 2023

Kaushal R. Patvi  
Company Secretary

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

Makrand M. Appalwar  
(Managing Director)  
DIN : 00171950

Rinku M. Appalwar  
(CFO & Director)  
DIN : 00171976

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

PARTICULARS	2022-23		2021-22	
	INR MILLION	INR MILLION	INR MILLION	INR MILLION
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit Before Tax		119.86		258.08
Depreciation & Amortisation	98.97		87.38	
Finance Cost	157.01		146.62	
Provision For Gratuity	2.95		(0.10)	
Interest Received	(0.84)		(0.80)	
Dividend Received	(0.01)		(0.01)	
Rent received	(0.37)		(0.24)	
Interest on Income Tax	0.78		0.25	
(Profit)/ Loss on Sale of Property, Plant & Equipment	0.20		0.14	
		258.69		233.24
<b>Operating Profit Before Working Capital Changes</b>		<b>378.55</b>		<b>491.33</b>
Adjustments for Working Capital Changes				
Trade Payables and Other Current Liabilities	28.57		26.66	
Inventories	(62.85)		(74.70)	
Trade Receivables	69.57		(121.18)	
		35.29		(169.22)
<b>CASH FLOW FROM OPERATIONS</b>		<b>413.84</b>		<b>322.11</b>
Taxes Paid (Net)		(29.16)		(47.69)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>		<b>384.68</b>		<b>274.42</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Property, Plant & Equipment	(198.78)		(197.53)	
Additions to CWIP	(46.20)		-	
Disinvestment in LLP	0.10		-	
Sale Of Property, Plant & Equipment	0.85		1.20	
Movement in Loans and Advances	3.81		(7.65)	
(Investment)/ Redemption of Term Deposits	(2.99)		5.76	
Interest Received	0.84		0.80	
Dividend Received	0.01		0.01	
Rent received	0.37		0.24	
<b>NET CASH (USED IN) INVESTING ACTIVITIES (B)</b>		<b>(241.98)</b>		<b>(197.16)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds / (Repayment) from Long Term Borrowings	43.26		(59.30)	
(Increase)/decrease in Working Capital Borrowings	(15.77)		136.10	
(Loan)/ Repayment to Subsidiary & LLP	1.03		(0.00)	
Interest paid on Loan	(157.01)		(146.62)	
Dividends paid	(10.61)		(7.08)	
<b>NET CASH FLOW USED IN FINANCING ACTIVITIES(C)</b>		<b>(139.11)</b>		<b>(76.90)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>3.59</b>		<b>0.35</b>
Cash & Cash Equivalent at the beginning of the year.		9.56		9.21
Cash & Cash Equivalent at the end of the year.		13.15		9.56

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

R. S. Daliya (Partner)  
Membership No. 043703  
Place : Mumbai  
Date : 30th May, 2023

Kaushal R. Patvi  
Company Secretary

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

Makrand M. Appalwar  
(Managing Director)  
DIN : 00171950

Rinku M. Appalwar  
(CFO & Director)  
DIN : 00171976

# Notes Forming Part of the Standalone Financial Statements For The Year Ended On 31st March, 2023.

## **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 30th, 2023.

The principal activities of the Company comprise 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, 2023 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 Indian 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 millions of rupees except share and per share data.

### **2.4 Use of Judgements, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, 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 of 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 Act, 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 assets 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. Intangible assets 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 & 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.

#### Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding central taxes or duties collected on behalf of the Government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Amounts disclosed are including Goods and Services Tax collected on behalf of the Government. However the GST collected has been shown as a deduction under the heading 'Revenue from Operations' and only the net Revenue from Operations has been stated in the Statement of Profit and Loss.

#### Sale of goods

- a. Inland sales have been accounted for at the time of dispatch of goods from the factory.
- b. Export sales have been accounted for at the time of dispatch of goods from the factory

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



# HAPPINESS IS CARBON-NEGATIVITY

Nestled in the Himalayas, sandwiched between India and China, the tiny kingdom of Bhutan is somewhat of a miracle and a beacon of hope in our fight against climate change. For, it's the world's only carbon-negative country. Said another way, Bhutan actually removes three times as much as CO<sub>2</sub> that it produces.

Call it the world's green lung, if you will. But here's where it gets really interesting — all of this is happening despite increasing tourism. One of the ways foreigners can contribute to the country's conservation efforts is counterintuitive: by visiting the country.

Bhutan is known to be one of the world's happiest countries. It's also the greenest. And that's no coincidence. King Jigme Singye Wangchuck developed his signature Gross National Happiness index based on four pillars: sustainable development, environmental protection, cultural preservation, and good governance. Environmental protection is enshrined in their constitution, which states that a minimum 60% of Bhutan's total land should be maintained under forest cover for all time. The country even banned logging exports in 1999. "Our enlightened monarchs have worked tirelessly to develop our country,

balancing economic growth carefully with social development, environmental sustainability, and cultural preservation, all within the framework of good governance," Tshering Tobgay, Bhutan's Prime Minister said at a 2016 TED Talk.

Almost all the country's electricity comes from hydropower. It produces so much hydroelectricity that it sells it to neighboring countries, which Bhutan claims offsets another 4.4 million tons of annual CO<sub>2</sub> emissions. And Bhutan says that by 2025, increased hydroelectricity exports will let the country offset up to 22.4 million tons of CO<sub>2</sub> per year in the region. Aside from its protected forests, it has won world records for planting the most trees per hour: Bhutan's ratio of people to land mass is about the same as that of Switzerland, but with just a tenth of the population. It's slow path to development — its first road was only built in the 1960s, it opened up to foreign tourists only in 1974 and TVs were only allowed in 1999 — has meant that it grew in harmony with nature, rather than at odds with it. The world could learn a thing or two from this tiny country.

## 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 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 costs that are attributable to financial instruments are recognized at amortized cost which 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 required 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:**

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 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

##### **Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact on its financial statements.

##### **Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, on its financial statements.

##### **Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact on its financial statements.



**Note 5 PROPERTY, PLANT AND EQUIPMENT**

**For the year ended 31.03.2023**

**INR MILLION**

Sr. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTIZATION					NET BLOCK	
		As at 01-04-2022 Rupees	Addns Rupees	Transfers Rupees	Adjustmnts/ Disposals Rupees	As at 31-03-23 Rupees	As at 01-04-22 Rupees	For the yr Rupees	Transfers Rupees	Adjustmnts/ Disposals Rupees	As at 31-03-23 Rupees	As at 31-03-23 Rupees	as at 31-03-22 Rupees
<b>5.A TANGIBLE FIXED ASSETS</b>													
1	Land	33.46	-	-	-	33.46	-	-	-	-	-	33.46	33.46
2	Building	589.50	25.70	-	-	615.20	104.63	18.98	-	-	123.62	491.58	484.87
3	Compound Wall	0.26	-	-	-	0.26	0.21	0.01	-	-	0.22	0.04	0.05
4	Plant and Machinery	862.76	88.51	-	(0.55)	950.72	258.05	34.06	-	-	292.11	658.62	604.72
5	Electrical Installation	18.13	0.33	-	-	18.46	7.44	0.67	-	-	8.11	10.35	10.68
6	Furniture & Fixtures	74.96	14.53	-	-	89.49	26.67	6.40	-	-	33.08	56.41	48.28
7	Crates	0.71	-	-	-	0.71	0.70	-	-	-	0.70	0.01	0.01
8	Office Equipment	52.73	8.09	-	-	60.82	24.60	4.75	-	-	29.35	31.47	28.13
9	Other Equipment	0.01	-	-	-	0.01	0.01	0.00	-	-	0.01	0.00	0.00
10	Vehicles	35.14	2.79	-	(0.87)	37.06	19.68	3.10	-	(0.36)	22.42	14.64	15.46
11	Research & Development	178.79	36.05	-	-	214.84	35.21	7.87	-	-	43.08	171.76	143.58
12	Computer ( for R & D)	1.02	-	-	-	1.02	0.76	-	-	-	0.76	0.26	0.26
	<b>(A)</b>	<b>1,847.47</b>	<b>175.99</b>	<b>-</b>	<b>(1.42)</b>	<b>2,022.04</b>	<b>477.98</b>	<b>75.85</b>	<b>-</b>	<b>(0.36)</b>	<b>553.46</b>	<b>1,468.58</b>	<b>1,369.49</b>
<b>5.B INTANGIBLE FIXED ASSETS</b>													
	Acquired Brand & Knowledge Development Cost	230.15	22.79	-	-	252.93	80.43	23.12	-	-	103.55	149.39	149.72
	<b>(B)</b>	<b>230.15</b>	<b>22.79</b>	<b>-</b>	<b>-</b>	<b>252.93</b>	<b>80.43</b>	<b>23.12</b>	<b>-</b>	<b>-</b>	<b>103.55</b>	<b>149.39</b>	<b>149.72</b>
<b>5.C CAPITAL WIP</b>													
	Building	-	5.17	-	-	5.17	-	-	-	-	-	5.17	-
	Plant & Machinery	-	41.02	-	-	41.02	-	-	-	-	-	41.02	-
	<b>(C)</b>	<b>-</b>	<b>46.20</b>	<b>-</b>	<b>-</b>	<b>46.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46.20</b>	<b>-</b>
	<b>TOTAL (A+B+C)</b>	<b>2,077.62</b>	<b>244.97</b>	<b>-</b>	<b>(1.42)</b>	<b>2,321.18</b>	<b>558.40</b>	<b>98.97</b>	<b>-</b>	<b>(0.36)</b>	<b>657.01</b>	<b>1,664.17</b>	<b>1,519.22</b>
Ageing of capital work in progress is as follows:													
		<b>Less than 1 yr</b>	<b>1-2 yrs</b>	<b>2-3 yrs</b>	<b>More than 3 yrs</b>	<b>Total</b>							
	Projects in Progress	46.20	-	-	-	46.20							
	<b>Total</b>	<b>46.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46.20</b>							

**Note 5 PROPERTY, PLANT AND EQUIPMENT**

**For the year ended 31.03.2022**

**INR MILLION**

Sr. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTIZATION					NET BLOCK	
		As at 01-04-21 Rupees	Addns Rupees	Transfers Rupees	Adjustmnts/ Disposals Rupees	As at 31-03-22 Rupees	As at 01-04-21 Rupees	For the yr Rupees	Transfers Rupees	Adjustmnts/ Disposals Rupees	As at 31-03-22 Rupees	As at 31-03-21 Rupees	
<b>5.A 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	Research & Development	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 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 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 capital work in progress is as follows:													
		<b>Less than 1 yr</b>	<b>1-2 yrs</b>	<b>2-3 yrs</b>	<b>More than 3 yrs</b>	<b>Total</b>							
	Projects in Progress	-	-	-	-	-							
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>							

INR MILLION

Note 6	NON CURRENT INVESTMENTS	As at 31.03.2023	As at 31.03.2022
	<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
	<b>TOTAL</b>	<b>0.13</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 31.03.2023	As at 31.03.2022
	<b>Unsecured, Considered good</b>		
	Loan to related party - Emmbi Watcon LLP	-	1.03
	<b>TOTAL</b>	<b>-</b>	<b>1.03</b>

INR MILLION

Note 8	OTHER FINANCIAL ASSETS (NON CURRENT)	As at 31.03.2023	As at 31.03.2022
	Security Deposits	14.79	18.14
	Bank Deposits (With more than 12 months maturity)		
	Term Deposits	0.51	-
	<b>TOTAL</b>	<b>15.30</b>	<b>18.14</b>

INR MILLION

Note 9	INCOME TAX ASSETS (NON CURRENT)	As at 31.03.2023	As at 31.03.2022
	Advance payment of Income Tax	73.56	101.88
	<b>TOTAL</b>	<b>73.56</b>	<b>101.88</b>

INR MILLION

Note 10	OTHER NON CURRENT ASSETS	As at 31.03.2023	As at 31.03.2022
	Prepaid Rental	1.41	1.84
	<b>TOTAL</b>	<b>1.41</b>	<b>1.84</b>

INR MILLION

Note 11	INVENTORIES*	As at 31.03.2023	As at 31.03.2022
	Raw Materials	238.09	262.68
	Stock-in-Process	467.96	480.57
	Finished Goods	263.74	186.28
	Stores & Spares	70.01	47.42
	<b>TOTAL</b>	<b>1,039.80</b>	<b>976.95</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.

INR MILLION

Note 12	TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)	As at 31.03.2023	As at 31.03.2022
	Trade Receivables	689.78	759.35
	Trade receivables which have significant increase in credit risk	0.36	0.36
	Trade receivables- Credit Impaired	-	-
	Allowance for Credit Losses	(0.36)	(0.36)
	<b>TOTAL</b>	<b>689.78</b>	<b>759.35</b>

INR MILLION

## Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 mnths	6 mnths - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	687.93	0.28	0.83	0.55	0.19	689.78
Disputed Trade Receivables considered doubtful	-	-	-	-	0.36	0.36
	<b>687.93</b>	<b>0.28</b>	<b>0.83</b>	<b>0.55</b>	<b>0.55</b>	<b>690.14</b>
Less : Allowance for Credit Losses	-	-	-	-	(0.36)	(0.36)
	<b>687.93</b>	<b>0.28</b>	<b>0.83</b>	<b>0.55</b>	<b>0.19</b>	<b>689.78</b>

## Ageing for trade receivables 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					Total
	Less than 6 mnths	6 mnths - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	757.02	1.47	0.67	0.19	-	759.35
Disputed Trade Receivables considered doubtful	-	-	-	-	0.36	0.36
	<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)
	757.02	1.47	0.67	0.19	-	759.35

INR MILLION

Note 13	CASH AND CASH EQUIVALENTS	As at 31.03.2023	As at 31.03.2022
	Balances with banks		
	In Current Account	-	-
	Cash on hand	1.56	2.75
	Others:		
	Term deposits with Banks (maturity of less than three months)	11.60	6.81
	<b>TOTAL</b>	<b>13.15</b>	<b>9.56</b>
	Cash & Cash Equivalent as per Cash Flow Statement	13.15	9.56

INR MILLION

Note 14	BANK BALANCE OTHER THAN ABOVE	As at 31.03.2023	As at 31.03.2022
	Earmarked balances with Banks		
	Unclaimed Dividend A/c	0.32	0.34
	Term Deposits (maturity of more than three months but less than twelve months)	2.48	-
	<b>TOTAL</b>	<b>2.80</b>	<b>0.34</b>

INR MILLION

Note 15	OTHER CURRENT ASSETS	As at 31.03.2023	As at 31.03.2022
	Balance with GST and other Govt. Authorities	65.45	61.26
	Prepaid Expenses	34.55	35.17
	Other Advances	62.93	61.09
	<b>TOTAL</b>	<b>162.92</b>	<b>157.52</b>

INR MILLION

Note 16	EQUITY SHARE CAPITAL	As at 31.03.2023	As at 31.03.2022
	<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>

		INR MILLION	
16.1 The Reconciliation of the number of shares outstanding is set out below : Particulars	As at 31.03.2023 No. of Shares	As at 31.03.2022 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	

		INR MILLION			
16.2 The Details of Shareholders Holding more than 5% Shares Name of Shareholder	As at 31.03.2023		As at 31.03.2022		
	No. of Shares	%Held	No. of Shares	% Held	
Makrand M. Appalwar	3.84	21.70%	3.83	21.64%	
Rinku M. Appalwar	2.37	13.38%	2.37	13.38%	
Maithili M. 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%	

### 16.3 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.

		INR MILLION			
16.4 Details of shareholdings by the Promoter's of the Company	As at 31.03.2023		As at 31.03.2022		
	No. of Shares	%Held	No. of Shares	% Held	
Makrand M. Appalwar	3.84	21.70%	3.83	21.64%	
Rinku M. Appalwar	2.37	13.38%	2.37	13.38%	
Maithili M. Appalwar	1.07	6.02%	1.07	6.02%	
Mitravinda M. Appalwar	0.24	1.37%	0.24	1.37%	
Avinash R. 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%	

		INR MILLION	
Note 17 OTHER EQUITY (REFER TO THE STATEMENTS OF CHANGES IN EQUITY)	As at 31.03.2023	As at 31.03.2022	
<b>(a) Securities Premium Reserve</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	1,084.45	902.06	
Add : Profit for the Year	82.66	190.33	
Add/Less : Other Comprehensive Income / (Expense) for the year	0.80	(0.94)	
Add/Less : Other Adjustments	-	0.08	
Less : Dividend	(9.63)	(6.44)	
Less : TDS on Dividend	(0.98)	(0.64)	
	1,157.29	1,084.45	
<b>TOTAL</b>	<b>1,429.94</b>	<b>1,357.09</b>	

#### Securities Premium Reserve:

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.

INR MILLION

Note 18	BORROWINGS (NON CURRENT)	As at 31.03.2023		As at 31.03.2022	
		Non Current	Current	Non Current	Current
	<b>(a) Secured</b>				
	Term Loans				
	- From Banks	544.14	90.91	500.88	176.48
	- From Corporates	-	-	-	-
	Other loans & advances	-	-	-	-
	<b>(b) Unsecured</b>	-	-	-	-
	Term Loans	-	-	-	-
	- From Banks & NBFC	-	-	-	0.51
	- From Corporates	-	-	-	-
	Other loans & advances	-	-	-	-
	<b>TOTAL</b>	<b>544.14</b>	<b>90.91</b>	<b>500.88</b>	<b>176.99</b>

**18.1** 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 and by way of Second pari passu charge on entire current assets of the company, present and future.

**18.2** Other Loans and Advances are secured by way of hypothecation of Cars and Transport Vehicles purchased under Hire Purchase Scheme.

**18.3** There is no default in repayment of principal loan or interest thereon

**18.4 Repayment Schedule**

YEARS	Secured Loans	Unsecured Loans
For 2023-24	90.91	-
For 2024-25	154.50	-
For 2025-26	137.98	-
For 2026-27	94.81	-
For 2027-28	97.37	-
For 2028-29	59.48	-

INR MILLION

Note 19	EMPLOYEE BENEFIT PROVISIONS (NON CURRENT)	As at 31.03.2023	As at 31.03.2022
	Provision for Employee Benefits (Gratuity)	16.13	13.98
	<b>TOTAL</b>	<b>16.13</b>	<b>13.98</b>

INR MILLION

Note 20	DEFERRED TAX LIABILITIES	As at 31.03.2023	As at 31.03.2022
	The balance comprises of temporary differences attributable to :		
	Depreciation(Net)	128.55	115.70
	<b>TOTAL</b>	<b>128.55</b>	<b>115.70</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 31.03.2023	As at 31.03.2022
	At the start of the year	115.70	100.77
	<b>Charged/(Credited)</b>		
	- to Profit or loss (depreciation)	12.86	14.93
	<b>TOTAL</b>	<b>128.55</b>	<b>115.70</b>

INR MILLION

Note 21	PROVISIONS (NON CURRENT)	As at 31.03.2023	As at 31.03.2022
	Provision For Taxes	74.06	106.42
	<b>TOTAL</b>	<b>74.06</b>	<b>106.42</b>

INR MILLION

<b>Note 22</b>	<b>BORROWINGS (CURRENT)</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
	Current maturities of long term debt (Refer Note : 18)	90.91	176.99
	<b>From Banks</b>		
	Secured (Refer Note 22.1)	833.41	763.10
	<b>TOTAL</b>	<b>924.32</b>	<b>940.09</b>

**22.1 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 and by way of Second pari passu charge on entire fixed assets of the company, present and future."

**22.2 Working Capital Loans :**

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

INR MILLION

<b>Note 23</b>	<b>TRADE PAYABLES</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
	Dues to Micro Enterprises and Small Enterprises (MESE)	-	-
	Payables other than MESE	346.90	313.23
	<b>TOTAL</b>	<b>346.90</b>	<b>313.23</b>

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2023

<b>Particulars</b>	Outstanding for following periods from due date of payment				
	<b>Less than 1 yrs</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 yrs</b>	<b>Total</b>
(i)MSME	-	-	-	-	-
(ii)Others	346.90	-	-	-	346.90
<b>TOTAL</b>	<b>346.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>346.90</b>

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

<b>Particulars</b>	Outstanding for following periods from due date of payment				
	<b>Less than 1 yrs</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 yrs</b>	<b>Total</b>
(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>

INR MILLION

<b>Note 24</b>	<b>OTHER FINANCIAL LIABILITIES (CURRENT)</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
	Unpaid Dividends	0.32	0.34
	Others	21.73	21.41
	<b>TOTAL</b>	<b>22.05</b>	<b>21.75</b>

INR MILLION

<b>Note 25</b>	<b>CONTINGENT LIABILITIES AND COMMITMENTS</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
a)	Contingent liabilities not provided for Guarantees'		
	1. Guarantee by Banks to Electricity Department (Silvassa)	10.40	10.94
	2. Guarantee by Banks to District Horticulture Development Society.	6.98	2.39
	3. Warranty against Sale of Retail Water Conservation products for 5 years	19.47	19.51

	b) Commitments Estimated amount of contracts remaining to be executed On capital account (Net of Advances) and not provided for -On account of Machinery -On account of Land and Building	0.71	0.29
			INR MILLION
<b>Note 26</b>	<b>REVENUE FROM OPERATIONS</b>	<b>2022-23</b>	<b>2021-22</b>
	Revenue from- Sale of products		
	Export Sales	2,459.25	3,194.28
	Domestic Sales	1,894.00	1,909.42
		<b>4,353.25</b>	<b>5,103.69</b>
	Less : GST recovered	642.43	747.48
	<b>TOTAL</b>	<b>3,710.83</b>	<b>4,356.22</b>
			INR MILLION
<b>26.1</b>	<b>DETAILS OF SALE OF PRODUCTS</b>	<b>2022-23</b>	<b>2021-22</b>
	<b>Manufactured Goods</b>		
	Polymer Based Multiple Products	4,353.25	5,103.69
	<b>TOTAL</b>	<b>4,353.25</b>	<b>5,103.69</b>
			INR MILLION
<b>Note 27</b>	<b>OTHER INCOME</b>	<b>2022-23</b>	<b>2021-22</b>
	<b>Interest</b>		
	From Current Investments	0.84	0.80
	From Others	-	-
	<b>Dividend</b>		
	From Long Term Investments (on shares of Co Op bank)	0.01	0.01
	Other Non Operating Income	0.37	0.24
	<b>TOTAL</b>	<b>1.22</b>	<b>1.05</b>
			INR MILLION
<b>Note 28</b>	<b>COST OF MATERIAL CONSUMED</b>	<b>2022-23</b>	<b>2021-22</b>
	<b>Raw Materials Consumed</b>		
	Opening Inventory	262.68	241.46
	Add : Purchases (Net)	2,395.92	2,840.36
		<b>2,658.60</b>	<b>3,081.82</b>
	Less : Closing Inventory	238.09	262.68
	<b>TOTAL</b>	<b>2,420.51</b>	<b>2,819.14</b>
			INR MILLION
<b>28.1</b>	<b>DETAILS OF INDIGENOUS AND IMPORTED RAW MATERIALS CONSUMED</b>	<b>2022-23</b>	<b>2021-22</b>
		<b>Rs.</b>	<b>% Consumption</b>
	Imported	200.29	8.27
	Indigenous	2,220.22	91.73
	<b>TOTAL</b>	<b>2,420.51</b>	<b>100.00</b>
		<b>Rs.</b>	<b>% Consumption</b>
	Imported	176.49	6.26
	Indigenous	2,642.65	93.74
	<b>TOTAL</b>	<b>2,819.14</b>	<b>100.00</b>
			INR MILLION
<b>28.2</b>	<b>PARTICULARS OF MATERIAL CONSUMED</b>	<b>2022-23</b>	<b>2021-22</b>
	Polymer Granules And Films Of Various Grades and Others	2,420.51	2,819.14
	<b>TOTAL</b>	<b>2,420.51</b>	<b>2,819.14</b>
			INR MILLION
<b>Note 29</b>	<b>CHANGES IN INVENTORIES OF STOCK-IN-TRADE, WORK-IN-PROGRESS AND FINISHED GOODS</b>	<b>2022-23</b>	<b>2021-22</b>
	<b>Inventories (At Close)</b>		
	Stock-in-Process	467.96	480.57
	Finished goods	263.74	186.28
		<b>731.70</b>	<b>666.85</b>
	<b>Inventories (At Commencement)</b>		
	Stock-in-Process	480.57	425.25
	Finished goods	186.28	189.67
		<b>666.85</b>	<b>614.92</b>
	<b>TOTAL</b>	<b>(64.85)</b>	<b>(51.93)</b>

INR MILLION

<b>Note 30</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>	<b>2022-23</b>	<b>2021-22</b>
	Salaries	141.47	174.34
	Employees Welfare Expenses	12.42	12.57
	Contribution to Provident Fund and Other Fund*	11.11	8.51
	Gratuity	4.33	1.94
	<b>TOTAL</b>	<b>169.32</b>	<b>197.35</b>

\*Includes amount of Rs. 4.74 Millions received under ABRY, PMRPY AND PMPRPY Schemes.

INR MILLION

<b>Note 31</b>	<b>FINANCE COSTS</b>	<b>2022-23</b>	<b>2021-22</b>
	Interest	119.18	104.51
	Other borrowing costs	37.83	42.11
	<b>TOTAL</b>	<b>157.01</b>	<b>146.62</b>

INR MILLION

<b>Note 32</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>	<b>2022-23</b>	<b>2021-22</b>
	Depreciation and Amortization	98.97	87.38
	<b>TOTAL</b>	<b>98.97</b>	<b>87.38</b>

INR MILLION

<b>Note 33</b>	<b>OTHER EXPENSES</b>	<b>2022-23</b>	<b>2021-22</b>
	<b>MANUFACTURING EXPENSES</b>		
	Factory Wages	192.22	194.44
	Power and Fuel	84.14	76.08
	Labour Charges	77.74	121.32
	Consumable Stores	59.03	91.68
	Repairs & Maintenance	18.19	14.03
	Other Manufacturing Expenses	9.42	7.52
	<b>SUB-TOTAL (A)</b>	<b>440.74</b>	<b>505.06</b>
	<b>SELLING AND DISTRIBUTION EXPENSES</b>		
	Freight Forwarding Expenses	273.05	292.73
	Sales Promotion Expenses	13.62	12.17
	Vehicle Expenses	6.32	5.42
	Incentive	2.99	19.24
	Other Selling and Distribution Expenses	1.08	1.40
	Sundry Export Expenses	1.72	2.76
	Commission	0.29	1.27
	<b>SUB-TOTAL (B)</b>	<b>299.06</b>	<b>334.99</b>
	<b>ESTABLISHMENT EXPENSES</b>		
	Legal and Professional Charges	20.14	21.12
	Scientific Research & Development	-	8.70
	Rent	23.56	15.25
	Tour & Travelling Expenses	22.06	10.46
	Insurance	21.41	18.25
	Printing, Stationary, Computer & Xerox Expenses	4.46	5.83
	Postage and courier Expenses	2.60	2.05
	Telephone Expenses	2.11	2.33
	General Expenses	17.23	15.57
	Electricity expenses- Mumbai Office	0.77	0.87
	Conveyance Expenses	1.60	2.03
	Donations	0.06	0.11
	Donations for CSR Activities	5.99	4.00
	Foreign Exchange Variation (Net)	(52.26)	(48.10)
	Payment to Auditor (See Note 33.3)	1.45	1.45
	Gst Reversal On Purchases & Expenses	0.03	0.55
	Loss on Sale of Property Plant And Equipment	0.20	0.14
	<b>SUB-TOTAL (C)</b>	<b>71.42</b>	<b>60.57</b>
	<b>TOTAL [(A)+(B)+(C)]</b>	<b>811.22</b>	<b>900.62</b>

INR MILLION

33.1	DETAILS OF STORES, CHEMICALS AND PACKING MATERIALS CONSUMED	2022-23		2021-22	
		Rs.	% Consumption	Rs.	% Consumption
	Imported	-	-	-	-
	Indigenous	59.03	100.00	91.68	100.00
	<b>TOTAL</b>	<b>59.03</b>	<b>100.00</b>	<b>91.68</b>	<b>100.00</b>

INR MILLION

33.2	VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF	2022-23	2021-22
	Import of Raw Materials	200.29	176.49
		<b>200.29</b>	<b>176.49</b>

INR MILLION

33.3	PAYMENT TO AUDITORS	2022-23	2021-22
	<b>As Auditor</b>		
	Audit Fee	0.90	0.90
	Tax Audit Fee	0.20	0.20
	Certification Fees	0.35	0.35
		<b>1.45</b>	<b>1.45</b>

INR MILLION

33.4	EXPENDITURE IN FOREIGN CURRENCY	2022-23	2021-22
	Foreign Bank Charges	0.73	1.09
	Testing Charges	0.53	1.51
	Foreign Travelling Expenses	1.11	0.46
	Software Charges	0.25	-
	Freight Charges	259.24	49.99
	Membership Fees	0.39	0.21
	Discount & Commission	0.36	1.37

INR MILLION

33.5	PARTICULARS	2022-23	2021-22
	Foreign Exchange loss / (Gain) of Rs.	(52.26)	(48.10)

INR MILLION

34	EARNINGS PER SHARE (EPS)	2022-23	2021-22
	Net Profit after tax as per Statement of Profit and Loss	82.66	190.33
	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	4.67	10.76
	Diluted Earnings per share	4.67	10.76
	Face Value per equity share	10.00	10.00

INR MILLION

35	EARNINGS IN FOREIGN EXCHANGE	2022-23	2021-22
	FOB value of Exports	2,337.74	3,010.81



# TIGER TIGER, BURNING BRIGHT

Define irony. The tiger, India's national animal, was almost extinct merely five decades ago. Indeed, rapid urbanization, unchecked deforestation and poaching had reduced the population of this big cat to less than 2000! But the story of the last five decades is an inspirational tale of the difference that sustained and honest government action can make.

Alarmed by the rapid fall in India's tiger population, the government under Mrs. Indira Gandhi launched Project Tiger on April 1, 1973. At that time, there were just about 1800 tigers left in India. Project Tiger was launched with the twin objectives of reducing the factors that led to depletion of tiger habitats, and to ensure a viable tiger population for economic, scientific, cultural, aesthetic and ecological values. Under the project, a number of tiger reserves were created based on a 'core-buffer' strategy. Each reserve had a core area that was free of all human activities and a buffer zone which were subjected to conservation-oriented land use. The first of these was the Jim Corbett National Park. By the late 1980s, the initial nine reserves covering an area of 9,115 square km had been increased to 15 reserves covering an area of 24,700 square km. By 1997, 23 tiger reserves encompassed an area of 33,000 square km. Today, there are 54 tiger reserves in the country. The National

Tiger Conservation Authority also began conducting a tiger census every four years.

With sustained efforts, results began to show. India's tiger population began to rise slowly, but steadily, and not without challenges. India's highest ever tiger population was estimated to be around 4,000 in the 1980s. But rampant deforestation ensured that this number fell to a low of about 1400 in 2008. But the subsequent rounds of the tiger census showed a consistent improvement in the tiger population. Modern technology was also deployed for a more accurate estimate. In 2020, the 2018 tiger census made it to the Guinness Book of World Records for being the largest camera-trapping exercise in the world.

The latest census of 2022 pegs the number of big cats at 3,167 tigers. Sure, this is a far cry from the estimated 40,000 tigers that were believed to have lived in India in 1947. At 3,167, it is estimated that India is home to 70% of the world's tiger population. That's some progress!

## 36 RELATED PARTY DISCLOSURES

Name of Related Party (Designation)	Nature of Transaction	Amount of Transaction	Amount of Transaction	Balance as on
		2022-23	2021-22	31.03.2023
Makrand M. Appalwar (Managing Director)	Remuneration Outstanding Remuneration	7.63	7.80	0.46 (0.35)*
Rinku M. Appalwar (CFO & Director)	Remuneration Outstanding Remuneration	7.04	7.20	0.42 (0.40)*
Maithili M. Appalwar (CFO- Avana Division)	Remuneration Outstanding Remuneration	0.43	2.57	- (0.15)*
Payment to Non - Executive Directors	Sitting Fees	0.38	0.31	-
Emmbi Watcon LLP (99.99% Share)	Loan given Loan Repaid	- 1.03	0.00 -	- (1.03)*
S. Sastry (President Works)	Remuneration	6.20	5.80	0.31 (0.30)*
Kaushal R. Patvi (Company Secretary)	Salary	1.60	1.40	0.10 (0.09)*
Kitec Industries (India) Private Limited (Common Directors)	Sale of Goods	7.10	1.89	0.01 (0.16)*
Kitec Industries (India) Private Limited (Common Directors)	Purchases	0.18	0.15	- -
Dividend paid to Relatives	Dividend paid to Relatives	6.17	4.12	-

(\*Figures represent balance as on 31.03.2022)

INR MILLION

37	TRADE PAYABLES TO MICRO, SMALL AND MEDIUM ENTERPRISES	2022-23	2021-22
	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.	-	-

38 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.

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

R. S. Daliya (Partner)  
Membership No. 043703  
Place : Mumbai  
Date : 30th May, 2023.

Kaushal R. Patvi  
Company Secretary

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

Makrand M. Appalwar  
(Managing Director)  
DIN : 00171950

Rinku M. Appalwar  
(CFO & Director)  
DIN : 00171976

**Note 39 : Category wise Classification of Financial Instruments**

INR MILLION

Particulars	Refer Note	March 31, 2023			March 31, 2022		
		FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>FINANCIAL ASSETS</b>							
Trade receivables	12	-	-	689.78	-	-	759.35
Loans	7	-	-	-	-	-	1.03
Cash and Bank Balances	13	-	-	15.95	-	-	9.90
Interest accrued		-	-	-	-	-	-
Investments	6	0.00	0.13	-	0.00	0.13	-
Security deposits	8	-	-	15.30	-	-	18.14
Others		-	-	-	-	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>0.00</b>	<b>0.13</b>	<b>721.03</b>	<b>0.00</b>	<b>0.13</b>	<b>788.42</b>
<b>FINANCIAL LIABILITIES</b>							
Trade payables	23	-	-	346.90	-	-	313.23
Short Term Borrowings	22	-	-	924.32	-	-	940.09
Interest accrued		-	-	-	-	-	-
Loans borrowed	18	-	-	544.14	-	-	500.88
Others	24	-	-	22.05	-	-	21.75
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>-</b>	<b>1,837.42</b>	<b>-</b>	<b>-</b>	<b>1,775.95</b>

(\* Please refer Note 41- Liquidity Risk)

INR MILLION

<b>Note 40 INCOME TAX EXPENSE</b>			
<b>A. INCOME TAX EXPENSE</b>		<b>For the year ended</b>	
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Current tax</b>			
Current tax on profits for the year		24.05	50.01
Adjustments for current tax of previous years		0.30	2.81
<b>Total Current tax expenses</b>		<b>24.34</b>	<b>52.82</b>
<b>B. DEFERRED TAX</b>			
Deferred Tax for the year		12.86	14.93
Total deferred tax expense/(benefit)		12.86	14.93
<b>Income tax expense</b>		<b>37.20</b>	<b>67.75</b>
<b>C. RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING</b>		<b>For the year ended</b>	
<b>PROFIT MULTIPLIED BY INDIA'S TAX RATE</b>		<b>March 31, 2023</b>	<b>March 31, 2022</b>
Profit from continuing operations before income tax expense		119.86	258.08
Tax at the Indian tax rate of % (previous year %)		27.82%	29.12%
Tax effect of amounts which are not deductible (taxable) in calculating taxable income: Dividend Income from Investments exempt from tax		33.35	75.15
Effects of non deductible business expenses		3.56	0.78
Effect on account of Minimum Alternate Tax (MAT) Credit Availment		-	(11.00)
Adjustments for current tax of previous years		0.30	2.81
Other items		-	-
<b>Income tax expense</b>		<b>37.20</b>	<b>67.75</b>

**NOTE 41: EMPLOYEE BENEFIT OBLIGATIONS**

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

INR MILLION

<b>I Defined Benefit Plans</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Gratuity</b>		
Non-Current	16.13	13.98
<b>Total</b>	<b>16.13</b>	<b>13.98</b>

**A Significant assumptions :**

The significant actuarial assumptions were as follows :

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Discount rate	7.50% p.a.	7.10% p.a.
Salary escalation rate	6.50% p.a.	6.50% p.a.
Retirement age	58 years	58 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate Mortality Rates	Indian Assured Lives Mortality (2012-14) Ultimate 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 :-

Particulars	INR MILLION	
	For the year ended	
	March 31, 2023	March 31, 2022
<b>Employers' Contribution to Provident Fund</b>	<b>12.95</b>	<b>11.93</b>

## III Gratuity

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

Particulars	INR MILLION		
	Present value of obligation	Fair value of 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)
March 31, 2022	13.99	0.01	13.98

Particulars	INR MILLION		
	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2022	13.99	0.01	13.98
Current service cost	3.34	-	3.34
Interest expense/(income)	0.99	-	0.99
<b>Total amount recognised in Profit or Loss</b>	<b>4.33</b>	<b>-</b>	<b>4.33</b>
Return on plan assets expense/(income)	-	-	-
(Gain)/loss from experience changes	0.01	-	0.01
(Gain)/loss from change in financial assumptions	(0.81)	-	(0.81)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(0.80)</b>	<b>-</b>	<b>(0.80)</b>
Benefits paid	(1.38)	-	(1.38)
<b>March 31, 2023</b>	<b>16.14</b>	<b>0.01</b>	<b>16.13</b>

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

Particulars	INR MILLION	
	March 31, 2023	March 31, 2022
Present value of funded obligation	16.14	13.99
Fair value of plan assets	0.01	0.01
<b>Surplus of funded plan</b>	<b>16.13</b>	<b>13.98</b>

**iii) Sensitivity analysis**

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

Assumption	Impact on defined benefit obligation March 31, 2023	
	%	Rs
<b>Discount rate</b>		
0.50% increase	(5.80)	15.20
0.50% decrease	6.30	17.16
<b>Future salary increase</b>		
0.50% increase	6.00	17.11
0.50% decrease	(5.70)	15.21

Assumption	Impact on defined benefit obligation March 31, 2022		INR MILLION
	%	Rs	
<b>Discount rate</b>			
1.00% increase	(6.10)	13.13	
1.00% decrease	6.70	14.92	
<b>Future salary increase</b>			
1.00% increase	6.40	14.88	
1.00% decrease	(6.00)	13.15	

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, 2023	March 31, 2022
Less than a year	1.46	0.75
Between 1- 2 years	1.22	1.92
Between 2- 5 years	2.01	1.13
Over 5 years	4.18	2.40
<b>Total</b>	<b>8.88</b>	<b>6.20</b>

**Capital Management:**

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going 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, 2023	March 31, 2022
Equity share capital	176.90	176.90
Other Equity	1,429.94	1,357.09
<b>Total Equity</b>	<b>1,606.84</b>	<b>1,534.00</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.

Dividends Particulars	INR MILLION	
	March 31, 2023	March 31, 2022
Dividends not recognised at the end of reporting period (including Tax Deducted at Source)	5.31	10.61

The Board of Directors have recommended the payment of a final dividend of Re. 0.30 per fully paid equity share of Rs. 10.00 each (March 31, 2022- Re. 0.60). 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. 3.70 Mn (Previous Year: Rs. 3.27 Mn) has been spent in the year ended March 31, 2023. Gross amount required to be spent by the Company during the year: Rs. 3.63 Mn (Previous Year: Rs. 3.51 Mn).

b) Amount spent during the year on:

INR MILLION

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
1) Amount required to be spend by the Company during the year	3.63	3.51
2) Amount of expenditure incurred on:		
(i) Construction / Acquisition of any asset	-	-
(ii) On purpose other than (i) above	3.70	3.27
3) Amount required to be set off for the Financial Year, if any	(0.00)	0.24
4) Shortfall/(Surplus) at the end of the year	(0.07)	(0.00)
5) Total of previous years shortfall	-	-
6) Reason for Shortfall	NA	NA
7) 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. 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. 23.12 Mn (Previous Year Rs. 14.92 Mn) 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 March 31, 2023	As at March 31, 2022
For a period not later than one year	12.00	12.00
For a period later than one year and not later than five years	38.58	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:

<b>March 31, 2023</b>		<b>INR MILLION</b>		
<b>Particulars</b>	<b>Trade Receivables</b>	<b>Loans</b>	<b>Other Financial Assets</b>	<b>Total</b>
Gross carrying amount	690.14	-	31.25	721.39
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>689.78</b>	<b>-</b>	<b>31.25</b>	<b>721.03</b>
<b>March 31, 2022</b>				
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>

### 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:

<b>March 31, 2023</b>	<b>Upto 1 year</b>	<b>1 to 3 years</b>	<b>3 to 7 years</b>
<b>Non- derivative liabilities</b>			
Trade Payables	346.90	-	-
Borrowings			
Long Term*	90.91	292.48	251.66
Interest	42.11	27.79	23.91
Short Term	833.41	-	-
Interest	75.12	-	-
Other Financial Liabilities	22.05	-	-
<b>TOTAL</b>	<b>1,410.51</b>	<b>320.26</b>	<b>275.57</b>

<b>March 31,2022</b>	<b>INR MILLION</b>		
<b>Non- derivative liabilities</b>	<b>Upto 1 year</b>	<b>1 to 3 years</b>	<b>3 to 7 years</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>

\*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. 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 42: OTHER STATUTORY INFORMATION FOR THE FINANCIAL YEAR 2022-23**

- 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.
- x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- xi) 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.
- xii) The Company does not have any transactions with companies which are struck off.

## ADDITIONAL REGULATORY INFORMATION - RATIOS

Ratios	Numerator	Denominator	March 2023	March 2022	Variance %	Reason for Variance
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.48	1.49	(1.16)	
Net Debt Equity Ratio (in Times)	Total Debt	Total Equity	0.91	0.94	(2.71)	
Debt Service Coverage Ratio (in Times)	EBIDTA	Debt service = Interest & lease payments	0.23	0.31	(25.40)	Decrease in EBITDA in the current year
Return on Equity	Net Profit after Tax	Total Equity	5.14	12.41	(58.54)	Decrease in profit in the current year
Inventory Turnover Ratio (in days)	Inventory	Revenue from Operations (Net)	102.00	82.00	24.39	
Debtors Turnover Ratio (in days)	Debtors	Revenue from Operations	58.00	54.00	7.41	
Trade Payable Turnover Ratio (in Days)	Trade Payables	Total Purchase	52.00	40.00	30.00	Increase in Trade Payables in the current year
Net Capital turnover ratio	Revenue from Operations (Net)	Working Capital	6.03	6.93	(12.96)	
Net Profit Ratio(%)	Net Profit before Tax	Revenue from Operations (Net)	3.23	5.92	(45.44)	Decrease in profit in the current year
Return on Capital Employed(%)	Earnings before Interest and Tax	Capital Employed = Net Worth + Borrowings + Deferred Tax Liabilities	9.19	14.45	(36.41)	Decrease in EBITDA in the current year

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

R. S. Daliya (Partner)  
Membership No. 043703  
Place : Mumbai  
Date : 30<sup>th</sup> May, 2023

For and On behalf of the Board  
For EMMBI INDUSTRIES LIMITED

Makrand M. Appalwar  
(Managing Director)  
00171950

Kaushal R. Patvi  
(Company Secretary)

Rinku M. Appalwar  
(CFO & Director)  
00171976













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