



emmbiTM
INDUSTRIES LIMITED

Brighter Every Way



Investor Presentation

Q2 FY23-24

BSE: 533161 | NSE: EMMBI



Disclaimer

This investor presentation has been prepared by Emmbi Industries Limited and does not constitute a prospectus or placement memorandum or an offer to acquire any securities. This presentation or any other documentation or information (or any part thereof) delivered or supplied should not be deemed to constitute an offer. No representation or warranty, express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein. The information contained in this presentation is only current as of its date. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements", including those relating to the general business plans and strategy of Emmbi Industries Limited, its future financial condition and growth prospects, future developments in its industry and its competitive and regulatory environment, and statements which contain words or phrases such as 'will', 'expected to', 'horizons of growth', 'strong growth prospects', etc., or similar expressions or variations of such expressions. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. Emmbi Industries Limited may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes. This presentation cannot be copied and disseminated in any manner.

Inside this Presentation



01

About the Company

02

Corporate Social Responsibility

03

Financial Highlights

04

Investment Merits

05

Quarterly Highlights



About the Company

Management Commentary	05
Business Verticals	06
Product Portfolio	10
Global Presence	11
Fungible Manufacturing Facilities	12
Manufacturing Capacities	13
Technological Capabilities	14
R&D Capabilities	15
Sustainable Products	16

Management Commentary: **Redefining Business through** **Groundbreaking thought processes**

Reprocessing in isolation will not be a solution to the Challenge of Disposable. Larger Challenge lies in creating financially viable Supply Chain to Collect – Segregate –Clean and reuse.

We at Emmbi are working our way to develop this Global initiative to make it happen successfully .



Mr. Makrand Appalwar
CHAIRMAN AND MANAGING DIRECTOR

Emmbi's Business Verticals



International Business

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

Innovating for a Sustainable Tomorrow



Established in 1994, Emmbi Industries Limited is a modern processor of polymers and a leading player in innovative packaging solutions, particularly in FIBC, woven sacks and various other woven polymer products.

The Company's state of the art manufacturing facilities and innovative product offerings have made Emmbi a dominant force to reckon with and the continuous investments in research and development have helped the Company remain at the forefront of technological advancements in its industry.



30+ years

Experience of manufacturing woven polymer products



17 Patents Filed

1 Granted and others in process



10 Specialized

State-of-the-art manufacturing units



Global Footprint 70+

Exports presence across 60+ countries



29840 MTPA

Cumulative annual capacity



BSE & NSE

Listed on BSE and NSE since 2010

Expanding Horizons with Our Diverse Business Verticals

A comprehensive product portfolio and commitment to innovation has established Emmbi as a reliable partner for its customers.

Emmbi Industries operates across the following two business verticals:

B2B

The legacy business of the Company where Company continues to drive growth by entering new markets and introducing innovative products



International Business



Domestic Business



B2C

In 2016, Emmbi Industries launched a new initiative named 'Avana,' comprising the water management and other crop protection products. The aim of this initiative was to establish a strategic business unit dedicated to B2C farmer sales



Avana Customer Durables



Avana Consumer Goods

Expanding Horizons with Our Diverse Business Verticals

PARTICULARS	INTERNATIONAL BUSINESS	DOMESTIC BUSINESS	AVANA CONSUMER DURABLES	AVANA CONSUMER GOODS
MAJOR PRODUCTS	<ul style="list-style-type: none"> Industrial Packaging Advanced Composites Container Liners Pond Liners Mulch Films 	<ul style="list-style-type: none"> Industrial Packaging 	<ul style="list-style-type: none"> Avana Jalsanchay Pond Liner Avana Jalsanchay Super – Aquaculture Pond Lining Crop Cover 	<ul style="list-style-type: none"> Avana Kapila Murughas Bag Avana Anant Leno Bag Avana Tank Avana Rakshak Tarpaulin Avana Prabal Thread
SECTORS	<ul style="list-style-type: none"> Pharmaceuticals FMCG Chemicals Food Construction Automobiles 	<ul style="list-style-type: none"> FMCG Automobiles Chemicals Food 	<ul style="list-style-type: none"> Water Conservation Crop Protection Agriculture Aquaculture 	
REVENUE SHARE	Moderate Increase	Will Decrease	Moderate Increase	Rapid Increase

Elevating Expectations, Product by Product

Emmbi Industries offers a comprehensive product portfolio, designed to meet the diverse needs of customers across multiple industries.

Few of Our Products



Flood Control Barrier



Crop Covers

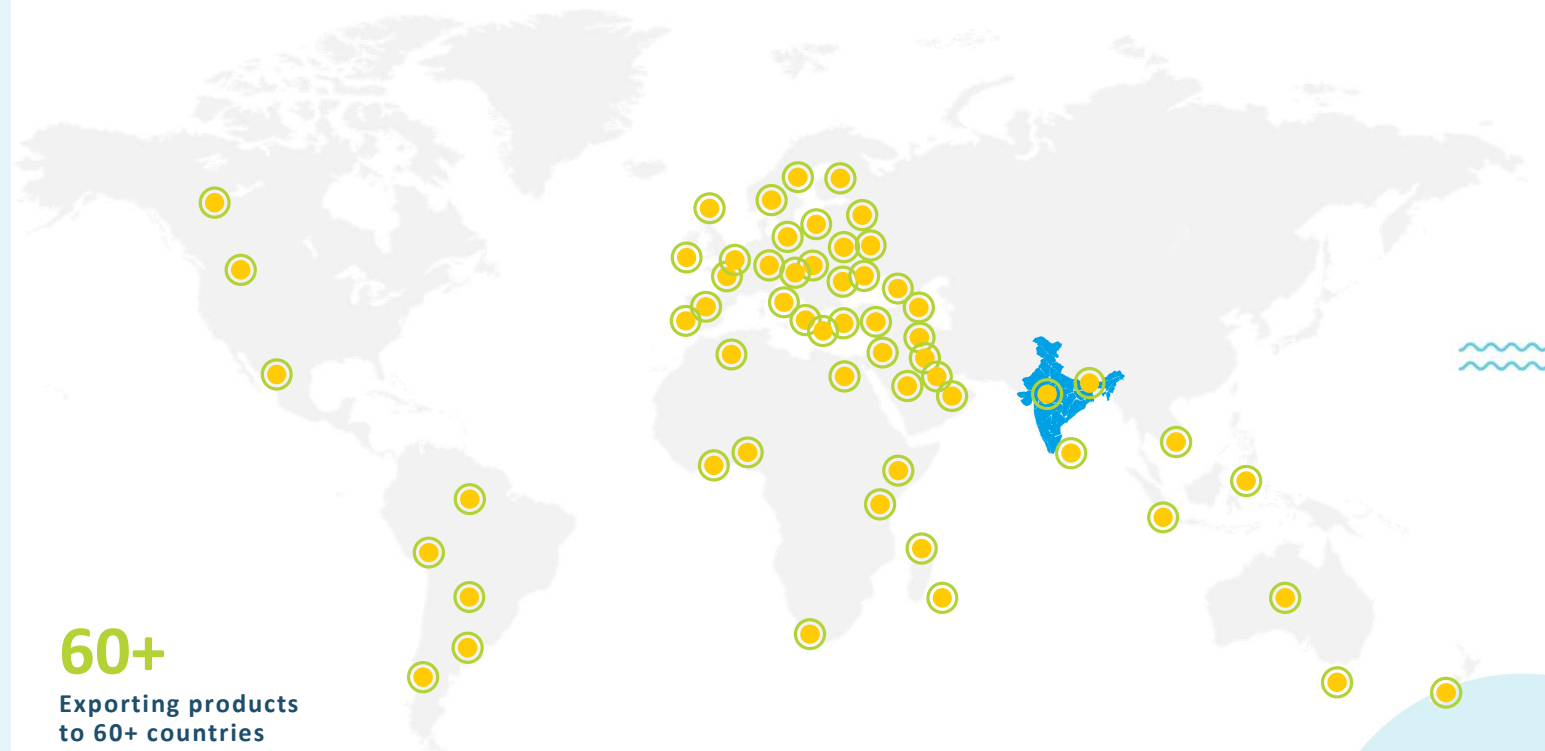


Thread

Making the World Our Stage

Emmbi Industries has established a strong global foothold, serving a diverse client base across multiple industries.

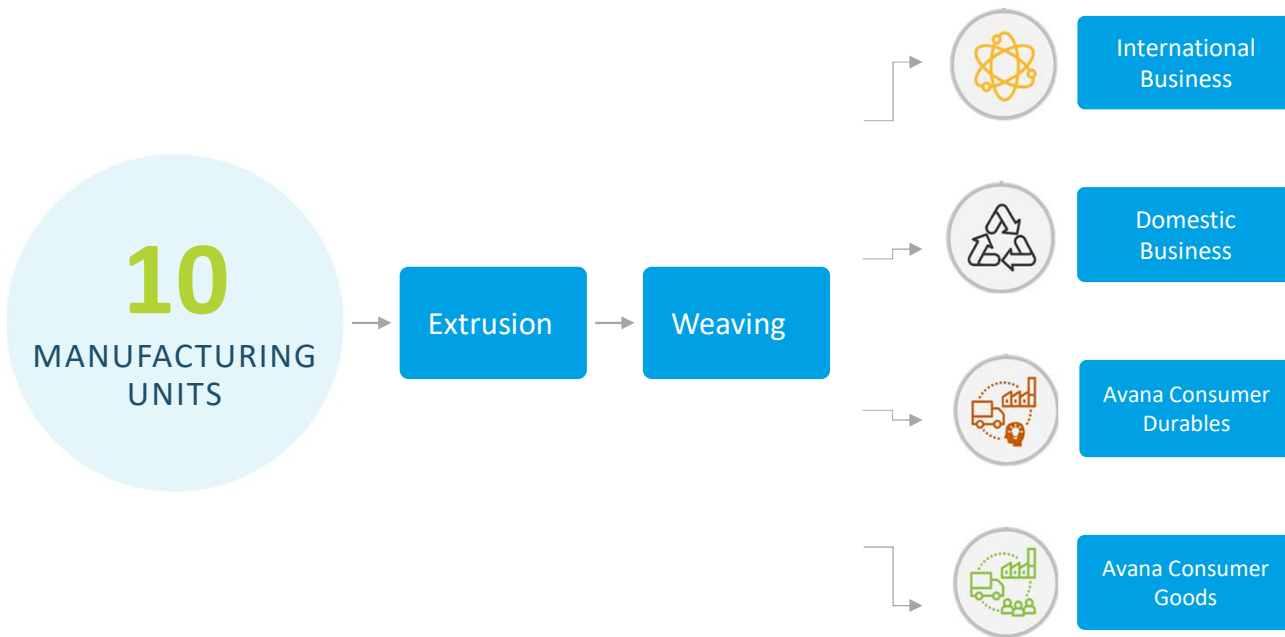
The commitment to deliver innovative solutions and exceptional customer service has helped Company earn the trust of its customer worldwide.



60+

Exporting products to 60+ countries across the globe

Fully Fungible Manufacturing Facilities



Company's manufacturing facility is fully fungible which can be of big help during the sectoral slowdowns

Amplifying impact through Strategic Additions

The Company follows a strategic approach towards capacity additions to support its business growth. The plan entails debottlenecking existing capacities once the utilization level reaches 90% and adding new capacities to bring utilization down to 70%. Further capacity expansion is only considered when the incremental capacity reaches a utilization level of 90% or higher.

This strategy has helped the Company grow its REVENUES AT

15.69% CAGR

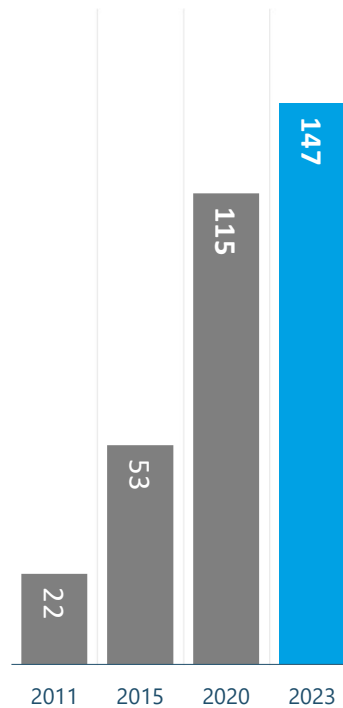
PROFITS AT

20.52% CAGR

Over the last 10 years without straining the balance sheet with debt.

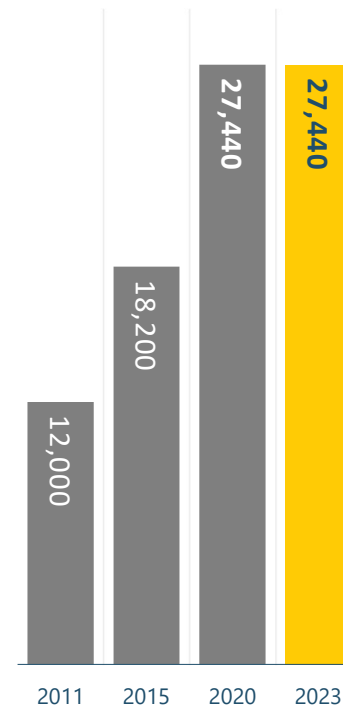
Net Block

(₹ IN CRORE)



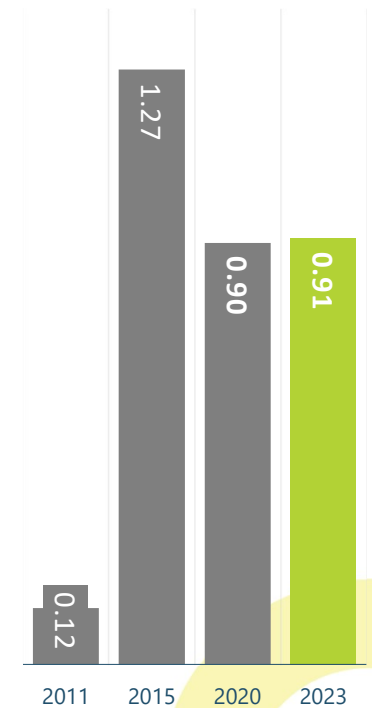
Capacity

(IN MTPA)



Debt to Equity*

(IN X)



*Debt to Equity – Long term Debt / Shareholder Fund

Unleashing the Power of Innovation

The dedication of the Company to staying at the forefront of innovation is demonstrated by the cutting-edge solutions it brings to market. Through continuous investments in R&D and the adoption of new technologies, the Company is able to deliver exceptional value to its customers and stakeholders.



EXPERIENCED TEAM

of over 35 engineers with combined experience of more than 250 years

PRODUCTS DEVELOPED IN LAST 5 YEARS

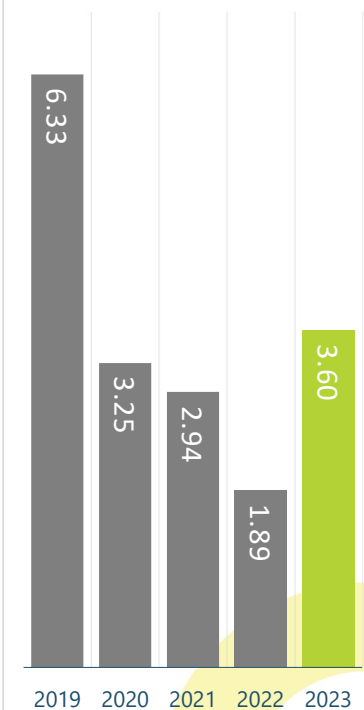
Contributing 20%+ of topline in any given year

CERTIFIED INNOVATION LAB

Certified & Recognized by Ministry of Science and Technology in woven polymer business in India

Investments in R&D

(₹ IN CRORE)



* New R&D Centre was created in 2019

Unleashing the Power of Innovation



Tensile Testers



Full Load Tester



Accelerated Weathering Tester



Natural Weathering Test Facility

Images of Emmbi's inhouse R&D Facilities

Emmbi's Green Initiative



WHY RECLAIM :
SOCIAL, ENVIRONMENTAL & LEGAL NEED



WHAT WE PROPOSE :
MIX POST CONSUMER WASTE (PCR)
AND POST-INDUSTRIAL WASTE (PIR)

Making a Positive Impact

Emmbi has identified that a long-term growth driver in polymer processing will be green polymers – substances that have the same functionality as current polymers, but a lower environmental impact. With this in mind, we have designed:

- *Emmbi Reclaim*
- *30% of the material used in the bag is industrially recycled*
- *Improves recycling efficiency*
- *Increasing demand in western markets*



Mastering the Complete Value Chain of Post Consumer Recyclate (PCR)



Navigating Success with Experience (1/2)



Mr. Makrand Appalwar
CHAIRMAN AND MANAGING DIRECTOR

Mr. Makrand Appalwar, a first-gen entrepreneur with over 20 years in the polymer industry, transformed Emmbi from a trading firm to a large-scale manufacturer. A Mechanical Engineer from MIT Pune and an alumnus of MIT Sloan, Boston, he prioritizes teamwork, drives product development and focuses on sustainability. He has received numerous awards for his leadership.



Mrs. Rinku Appalwar
EXECUTIVE DIRECTOR AND CFO

Mrs. Rinku Appalwar, Emmbi Industries co-founder, manages finance, purchase, logistics, and administration functions. Recognized as a leading lady in manufacturing for three consecutive years, she played a key role in the company's successful IPO. She holds a degree in Chemistry from Mumbai University and is an alumnus of IIM Bangalore.



Mr. Krishnan Iyer Subramanian
DIRECTOR

Mr. Krishnan Iyer has 25 years of experience in strategic planning, risk management, private equity, and M&A. He holds a B.E degree from the Birla Institute of Technology & Science, Pilani and a post-graduate degree from MIT Sloan School of Management, Boston.

Navigating Success with Experience (2/2)



Mr. Rama Krishnan
INDEPENDENT DIRECTOR

Mr. Rama Krishnan, Founder President and Past President of the Institute of Company Secretaries of India, is a Member of the Institute, Member of the Institute of Directors (London), and Member of the Chartered Institute for Securities & Investment (London). before Parliamentary Standing Committees on Company Law and Competition Law.



Mr. Prashant Lohiya
INDEPENDENT DIRECTOR

Mr. Prashant Lohiya is a seasoned Chartered Accountant with over 20 years of experience in accounting, auditing, taxation, finance and management consulting. He has a rich experience in various industries and has presented papers on various accounting and taxation topics. Additionally, he has presented papers and delivered lectures on relevant topics at various seminars, conferences and meetings hosted by The Institute of Chartered Accountants of India.



Mr. Venkatesh Joshi
INDEPENDENT DIRECTOR

Dr Venkatesh Joshi holds a degree in Medicine from Marathwada University and an MD in Ayurveda from Mumbai University, and is a highly accomplished professional in the field of medicine., He serves as a faculty member at RA Poddar Medical College and speaks at national and international medical conferences. He was honored with the Rajiv Shiromani Award in 2013 for his outstanding contributions in Ayurveda.

Making the World a Better Place



Emmbi Foundation a Trust, philanthropic arm of Emmbi Industries, is dedicated to the environment and society.

The foundation promotes various CSR activities including preventive healthcare, sanitation, health awareness projects, etc

The initiatives undertaken by the Company can broadly be classified under:



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

Making the World a Better Place



"Trees exhale for us so that we can inhale them to stay alive. Let us love trees with every breath we take until we perish."





Financial Highlights

Summary of Profit and Loss Statement	25
Summary of Balance Sheet	26

Summary of Profit and Loss Statement



₹ IN CRORES

PARTICULARS	FY19	FY20	FY21	FY22	FY23
Revenue from operations	314.84	333.14	319.84	510.37	435.33
Add : Other Income	0.14	0.16	0.19	0.10	0.12
Less : Goods & Service Tax	25.84	29.21	45.85	74.75	64.24
Total Income (Net)	289.14	304.10	274.18	435.73	371.20
Total Operating Expenses	248.02	266.52	245.54	386.52	333.62
EBITDA	41.12	37.58	28.64	49.21	37.58
EBITDA Margin (%)	14.22%	12.36%	10.45%	11.30%	10.13%
Finance cost	10.96	11.94	11.36	14.66	15.70
Depreciation and Amortisation Expenses	6.26	6.97	7.25	8.74	9.90
Profit Before Tax	23.90	18.66	10.03	25.81	11.99
Profit After tax	17.79	14.63	7.65	19.03	8.27

Summary of Balance Sheet



₹ IN CRORES

PARTICULARS	FY19	FY20	FY21	FY22	FY23
Non Current Assets	135.24	148.08	159.17	164.23	175.46
Current Assets	137.33	150.44	169.32	190.37	190.85
Total Assets	272.57	298.52	328.48	354.60	366.30
Shareholders Fund	114.96	128.37	135.14	153.40	160.68
Non Current Liabilities	59.11	61.57	84.11	73.70	76.29
Current Liabilities	98.50	108.58	109.24	127.51	129.33
Total Equity and Liabilities	272.57	298.52	328.48	354.60	366.30



Investment Merits

Company Strengths	28
Strategic Way Forward	30
Investment Case	31

Strengths at Play - I



Technical Prowess

Emmbi Industries has established a reputation for its technical expertise, with a focus on adopting cutting-edge technology. The company has invested heavily in automation and digitalization to streamline operations and increase efficiency. An enterprise resource planning system has been implemented to ensure effective inventory management, production planning, and order fulfilment.



Fungible Manufacturing Capabilities

Emmbi Industries' ability to manufacture products for both B2B and B2C verticals using the same facilities has given the company a unique competitive edge. The fungibility in manufacturing allows the company to leverage existing infrastructure and resources to cater to a diverse set of customers, leading to diversified revenue streams and maintained operational efficiencies.

Strengths at Play - II



Robust Brand Building

The Company has made impressive strides in brand building, especially in its B2C vertical, resulting in elevated recall value. The Company's efforts in generating local employment opportunities have contributed to the socio-economic development of the communities in which it operates, building an authentic brand image that resonates with customers.



Future Polymer Solutions for Circular Economy

Disruption by decoding Fast Changing Polymer technology and Sustainability. In depth Knowledge & infrastructure for creating recycled polymer material for reducing the carbon footprint if the customers marching towards the direction of complete circular consumption cycle with specialized “Credle to Credle” approach.

Stepping ahead with Confidence

B2C

- Add 5-6 new products under brand Avana to achieve a target of ₹ 350 crores sales till FY29
- Plans to add pan India warehouses in the coming years and move to a model of Manufacturing -> Warehousing -> Retailing and moving away from the distributor model
- Add to the existing base of 800 retail touch points in Maharashtra and enter newer geographies FY25 onwards
- Increase ground team to ensure that the product and their applicability is well understood by the farmers

B2B

- Create and distribute sustainable polymer based products worldwide
- Create state of the art Post Consumer Recyclate (PCR) material re-processing facility
- Maintain the past growth rates by adding incremental capacities once capacity utilization crosses 90%
- Drive higher share from specialised products having higher margin and gradually phase out commoditized products
- Continue to invest in technology to automate the plant and drive efficiencies across the manufacturing operations

Unlocking Potential for a Brighter Future



- Reach ₹ 1,000 crores sales by FY29 and creating a 60-40% mix between B2B and B2C business verticals
- Gradually scale up margin profile to 15% by adding value added products, and increasing share of B2C business
- Further strengthening the balance sheet by moving towards an asset light model and freeing up working capital requirements by scaling up the B2C business that operates on cash and carry model

Unlocking Potential for a Brighter Future

- Sustainable Polymer Substrates will be future of Polymer Manufacturing & Distribution.
- **Reclaim 30** :- A Strong Tool for companies to march towards the goal of “Net Zero” emission policy
- **Hyperbolic FIBC** :- Sustainable & Cost-efficient solution to conventional Baffle Bags. Around 23% Reduction in Polymer consumption and around 20% reduction in Labor Cost



Pros:

- No Internal Baffles, more volume.
- Low polymer used, low cost and eco-friendly.
- Less number of seams, better sift-proofing.





Quarterly Highlights

Summary of Profit and Loss Statement

34

Summary of Profit and Loss Statement



₹ IN CRORES

PARTICULARS	Q2 FY 22-23	Q2 FY 23-24	H1 FY22-23	H1 FY 23-24
Revenue from operations	103.88	111.66	227.55	212.44
Add : Other Income	0.02	0.03	0.04	0.07
Less : GST	15.36	16.63	33.21	31.23
Total Income	88.54	95.06	194.38	181.28
Total Operating Expenses	78.75	85.55	173.98	163.11
EBITDA	9.80	9.51	20.41	18.17
EBITDA Margin (%)	11.07%	10.01%	10.50%	10.03%
Finance cost	3.80	4.25	7.62	8.23
Depreciation and Amortization expenses	2.50	2.69	4.94	5.31
Profit Before Tax	3.50	2.57	7.86	4.63
Profit After tax	2.46	1.61	5.49	3.07



For any further information, please contact

Corporate Office:

Ground Floor of the Main Building,
Dani Corporate Park, 158,
CST Road, Kalina, Santacruz (East),
City: Mumbai - 400 098 INDIA