

28<sup>th</sup> August, 2024

To, Dept. of Corporate Services, <b>BSE Limited</b> , Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001  <b>Company Code: 533161</b>	To, The Listing Department, <b>National Stock Exchange of India Limited</b> , Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051  <b>NSE Symbol: EMMBI</b>
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Dear Sir/Madam,

**Sub: Submission of Annual Report for the financial year 2023- 24**

The 30<sup>th</sup> AGM of the Company is scheduled to be held on Friday, 20<sup>th</sup> September, 2024 at 11:30 AM (IST) through Video Conferencing /Other Audio Visual Means.

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find enclosed 30<sup>th</sup> Annual Report for financial year 2023-24 comprising Notice, Board's Report, Auditors Report and Audited Financial Statements together with the instructions on Remote e-Voting as prescribed by Securities and Exchange Board of India ('SEBI') and instructions for attending the Annual General Meeting through VC/OAVM and other general instructions.

Further, please note that the 30<sup>th</sup> Annual General Meeting Notice and Annual Report 2023-24 is also available on the Company's website at [www.emmbi.com](http://www.emmbi.com).

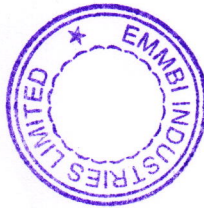
Kindly take the same on record.

Thanking you,

Yours faithfully,

**Emmbi Industries Limited**

**Rinku Appalwar**  
**Executive Director and CFO**  
**(DIN: 00171976)**



Encl: As above



# Championing Sustainability Worldwide

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ANNUAL REPORT 2023-24

# Corporate Information

## Board of Directors

### Mr. Makrand M. Appalwar

Chairman & Managing Director  
DIN: 00171950

### Mrs. Rinku Appalwar

Executive Director & CFO  
DIN: 00171976

### Mr. Krishnan I. Subramanian

Whole-Time Director (till 30th June, 2023)  
Non-executive, Non-Independent  
(w.e.f. 1st July, 2023)  
DIN: 06614842

### Mr. Rama A. Krishnan

Independent Director  
DIN: 00546256

### Mr. Prashant K. Lohiya

Independent Director (till 22nd May, 2024)  
DIN: 02990858

### Dr. Venkatesh G. Joshi

Independent Director  
DIN: 01234871

### Mr. Nitin D. Alshi

Independent Director (w.e.f. 29th June, 2024)  
DIN: 05252946

## Company Secretary

### Ms. Bhavi R. Gandhi

(w.e.f. 23rd October, 2023 – till 15th  
May, 2024)

### Mr. Rajesh A. Solanki

(w.e.f. 29th June, 2024)

## 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, India  
Tel: +91 (0260) 320 0948  
Fax: 022 4672 5506  
Email: info@emmbi.com  
Website: www.emmbi.com

## Company Identification Number (CIN)

L17120DN1994PLC000387

## Bankers

Axis Bank Limited  
Bajaj Finance Limited  
DBS Bank (India) Limited  
Saraswat Co-Op. Bank Limited  
Standard Chartered Bank  
ICICI Bank Limited (Charge Satisfied on  
17th April, 2023)

## Share Transfer Agents

### Datamatics Business Solutions Limited

Plot No. A 16 & 17, Part B Cross Lane,  
MIDC, Marol, Andheri (East),  
Mumbai 400 093  
Tel: 022- 66712001-06  
Fax: 022- 66712011  
Email: investorsqry@datamaticsbpm.com

## Board Committees

### Audit Committee

Mr. Prashant K. Lohiya (Chairman)  
(till 22nd May, 2024)

Mr. Nitin D. Alshi (Chairman)  
(w.e.f. 29th June, 2024)

Dr. Venkatesh G. Joshi

Mr. Rama A. Krishnan

Mrs. Rinku M. Appalwar

## Corporate Social Responsibility Committee

Dr. Venkatesh G. Joshi (Chairman)

Mr. Prashant K. Lohiya (till 22nd May, 2024)

Mr. Rama A. Krishnan

Mrs. Rinku M. Appalwar

Mr. Nitin D. Alshi (w.e.f. 29th June, 2024)

## Nomination & Remuneration Committee

Mr. Prashant K. Lohiya (Chairman)  
(till 22nd May, 2024)

Mr. Rama A. Krishnan (Chairman)  
(w.e.f. 29th June, 2024)

Dr. Venkatesh G. Joshi

Mr. Krishnan I. Subramanian  
(w.e.f. 29th June, 2024)

## Committee of Directors

Mr. Prashant K. Lohiya (Chairman)  
(till 22nd May, 2024)

Mr. Rama A. Krishnan (w.e.f. 29th June, 2024)

Mr. Makrand M. Appalwar

Mrs. Rinku M. Appalwar

## Stakeholders Relationship Committee

Mr. Prashant K. Lohiya (Chairman)  
(till 22nd May, 2024)

Mr. Rama A. Krishnan (Chairman)  
(w.e.f. 29th June, 2024)

Mr. Nitin D. Alshi (w.e.f. 29th June, 2024)

Dr. Venkatesh G. Joshi

Mrs. Rinku M. Appalwar



Scan the QR code and  
get more information  
about us

# Championing Sustainability Worldwide

**At Emmbi Industries, we pride ourselves on our ability to create valuable solutions from simple materials. With a focus on sustainability, our products are designed to reduce environmental impact and carbon footprint.**

Emmbi Industries is a leader in the polymer industry, consistently delivering innovative solutions that meet the highest standards of quality and durability. From water conservation products to advanced packaging solutions, our offerings are meticulously crafted to address the diverse needs of our global clientele. Our products are trusted worldwide, helping industries improve their sustainability practices and reduce their environmental footprint.

Emmbi Industries is deeply committed to promoting recyclability and supporting a circular economy. By using eco-friendly materials that are easy to recycle, we ensure that our solutions contribute to a sustainable lifecycle from production to end-of-life. Our eco-friendly solutions not only meet stringent quality standards but also contribute to a healthier planet. At Emmbi Industries, we are dedicated to Championing Sustainability Worldwide, creating a positive impact that resonates across industries and communities.



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# Pathways to Success: Key Company Milestones

**30+**

Years experience in manufacturing woven polymer products

**70+**

Countries

**200**

Global clients

**14**

Patents filed, 5 granted, and others in process

**10**

Specialized state-of-the-art manufacturing units

**29840**

Cumulative annual capacity (in MTPA)

Rs. **442.54** CR

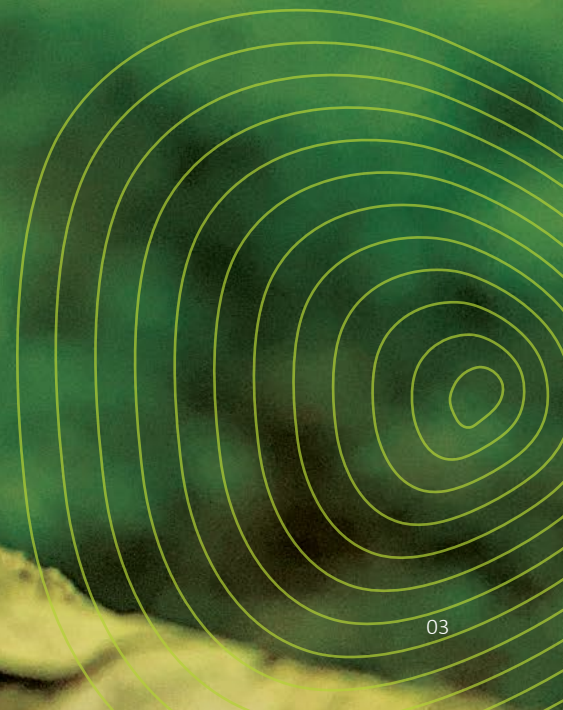
Revenue from Operations in FY 2024

Rs. **9.95** CR

PAT in FY 2024

**150+**

Lives impacted through CSR



# The Emmbi Story: Pioneering a Sustainable and Brighter Future

## The Emmbi Story

Emmbi Industries was founded in 1994 by first-generation entrepreneurs, Makrand and Rinku Appalwar. While many at the time were pursuing education and careers abroad, Makrand and Rinku's deep love for their country inspired them to stay in India. Originating from Chandrapur, Maharashtra — a prominent cement-manufacturing hub — Makrand identified an opportunity in the production of industrial-grade polymer bags. Both Makrand and Rinku believed in the immense potential of polymers to benefit humanity when used appropriately.

From the humble beginnings of a trading venture in Makrand's living room, the Company has grown into India's most esteemed polymer processing company. This journey of growth and innovation has been driven by a vision of excellence and championing sustainability worldwide. Despite this growth, the Company's vision of utilizing polymers for a brighter world has remained steadfast. From pioneering recycled Flexible Intermediate Bulk Containers (FIBCs) to creating the world's most affordable water conservation system, we have continuously embraced innovative ideas to enrich and uplift communities.

## Our Vision: Creating a Brighter World for All Our Stakeholders



### Brighter for our Customers

Whether it is their bright and colorful pattern or the legends of the genie with magical powers, traditional Arabian lamps have always 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 businesses. 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. This is why we bring cutting-edge, cross-category knowledge to the table. This, coupled with the best production techniques, a lean manufacturing philosophy, and a near Six-Sigma level of operations, goes a long way in enhancing our customers' businesses.



### Brighter for our Employees

Thomas Edison's invention has perhaps single-handedly changed the course of countless lives and history itself. The humble table lamp symbolizes the hard work and toil that millions of working-class individuals put in, in the quest for a better lifestyle. At Emmbi, we strive to brighten our employees lives through our various Human Resource policies and programs that encourage independent and creative thinking, entrepreneurial spirit, and active contribution to ideas.



### Brighter for our Partners

Traditional earthen lamps are used in the annual "Chopda Pujan" performed by Indian businesses during Diwali, where businessmen pray to the goddess of wealth for greater prosperity. In our commitment to spreading prosperity to our partners, Emmbi has implemented a range of initiatives, from adopting the most modern ERP systems to ensuring total transparency in our dealings and automating our procurement processes. It is no surprise, then, that the majority of our partners, both national and international, have remained with us for as long as Emmbi has existed.



## Our Businesses



### International Business

**Major Products**

Industrial Packaging | Container Liners | Advanced Composites

**Major Sectors**

Pharmaceuticals | FMCG | Chemicals | Food | Construction | Automobiles

**Geographical Reach**

70+ Countries worldwide



### Domestic Business

**Major Products**

Industrial Packaging

**Major Sectors**

FMCG | Automobiles | Chemicals | Food

**Geographical Reach**

Maharashtra | Gujarat | Madhya Pradesh | Goa | Karnataka | Delhi-NCR | Dadra and Nagar Haveli | Daman and Diu



### Avana Consumer Durables

**Major Products**

Avana Jalasanchay | Avana Jalasanchay Super

**Major Sectors**

Water Conservation | Agriculture | Aquaculture

**Geographical Reach**

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

**Geographical Reach**

Maharashtra

## Our Products

### Speciality Packaging

Innovative solutions for diverse packaging needs

### Advance Composites

Cutting-edge composites for specialized applications

### Liners

High-performance liners for superior protection

### Water Conservation

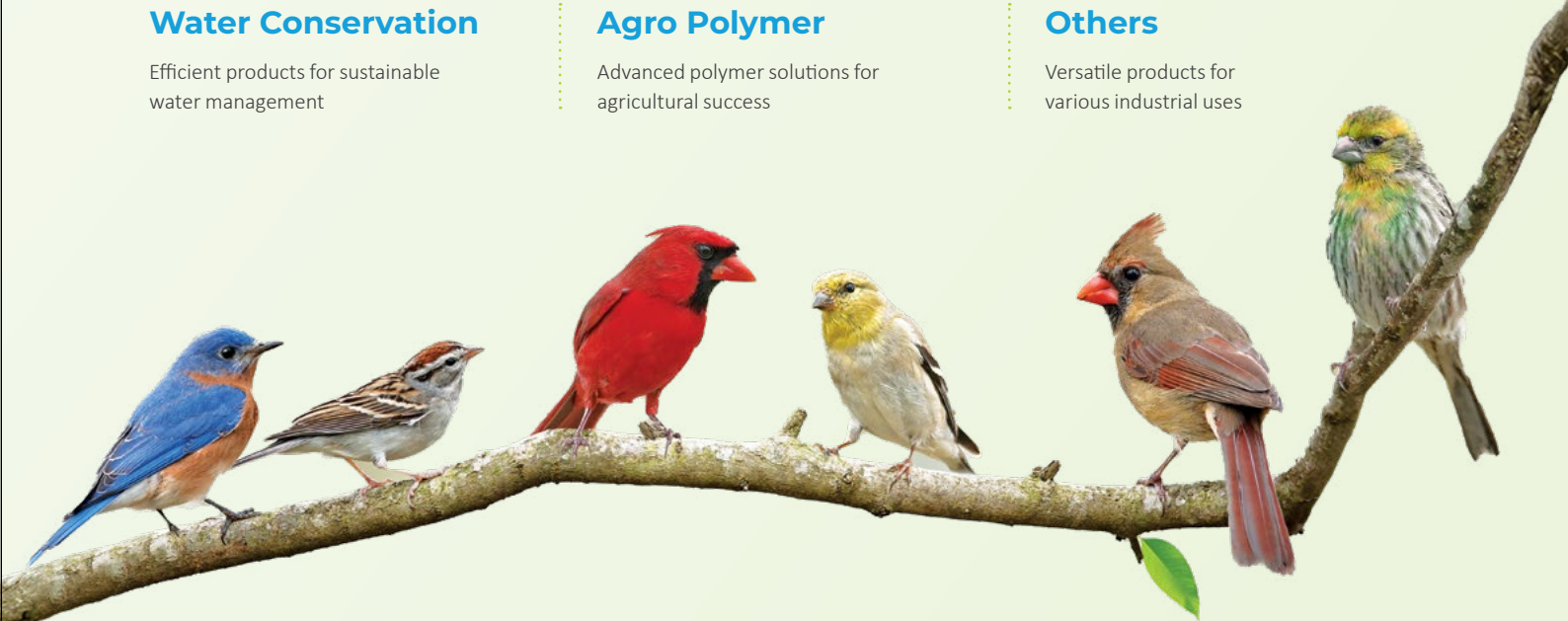
Efficient products for sustainable water management

### Agro Polymer

Advanced polymer solutions for agricultural success

### Others

Versatile products for various industrial uses





# Our Journey

1994  
|  
1997

## 1994

Emmbi Polyarns Limited was registered as a Private Limited organization – sowing the seeds to creating a brighter future

## 1996

We completed the construction of our first manufacturing unit – “Sita”

## JULY 1997

We initiated the first production run, which was launched on 2nd August, 1997

1997  
|  
1999

## 1997

We launched our first PWS-based packaging solution for the consumer goods market, as a substitute for the then common paper corrugated boxes

## 1999

Emmbi became India’s first ISO 9001-certified company for design and manufacturing

2001  
|  
2004

## 2001

Emmbi introduced heat-sealable packaging, that could withstand temperatures up to 120°C

## 2004

Emmbi created poly-jute packaging for the first time in India

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 Emmbi’s capacity expansions

## 2006

We took our first steps to becoming a global leader, with the production of FIBCs for global clients. We also commissioned “Janaki” – our second unit

**2007**  
|  
**2010**

### 2009

Emmbi developed cattle-safe canal liners, setting the stage for several more innovative products

### 2010

Emmbi was listed on the two major stock exchanges in India – NSE and BSE

**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’ FIBCs

**2015**  
|  
**2017**

### 2015

We launched our Emmbi Innovation Lab. Over the next two years, we applied for 14 patents and we marked over Rs. 1 billion in exports

### 2016

We ventured into the agricultural consumer business with the launch of our brand, “Avana” – focused on putting farmers first, through affordable water conservation techniques

### 2017

We developed Emmbi CleanTec, a facility for food and pharma-grade manufacturing

**2018**  
|  
**2024**

### 2019

We created “Jalasanchoy Super”, the world’s first blue-pond lining, designed to increase farmers’ income through aquaculture

### 2021

We launched six new products in the agri-inputs space, moving Avana from a consumer durables company to becoming a player in the small-ticket agri-inputs sector

### 2023-2024

We launched the “Reclaim” product range – made from up to 100% recycled material for certain items, and typically with 30% recycled content in most products

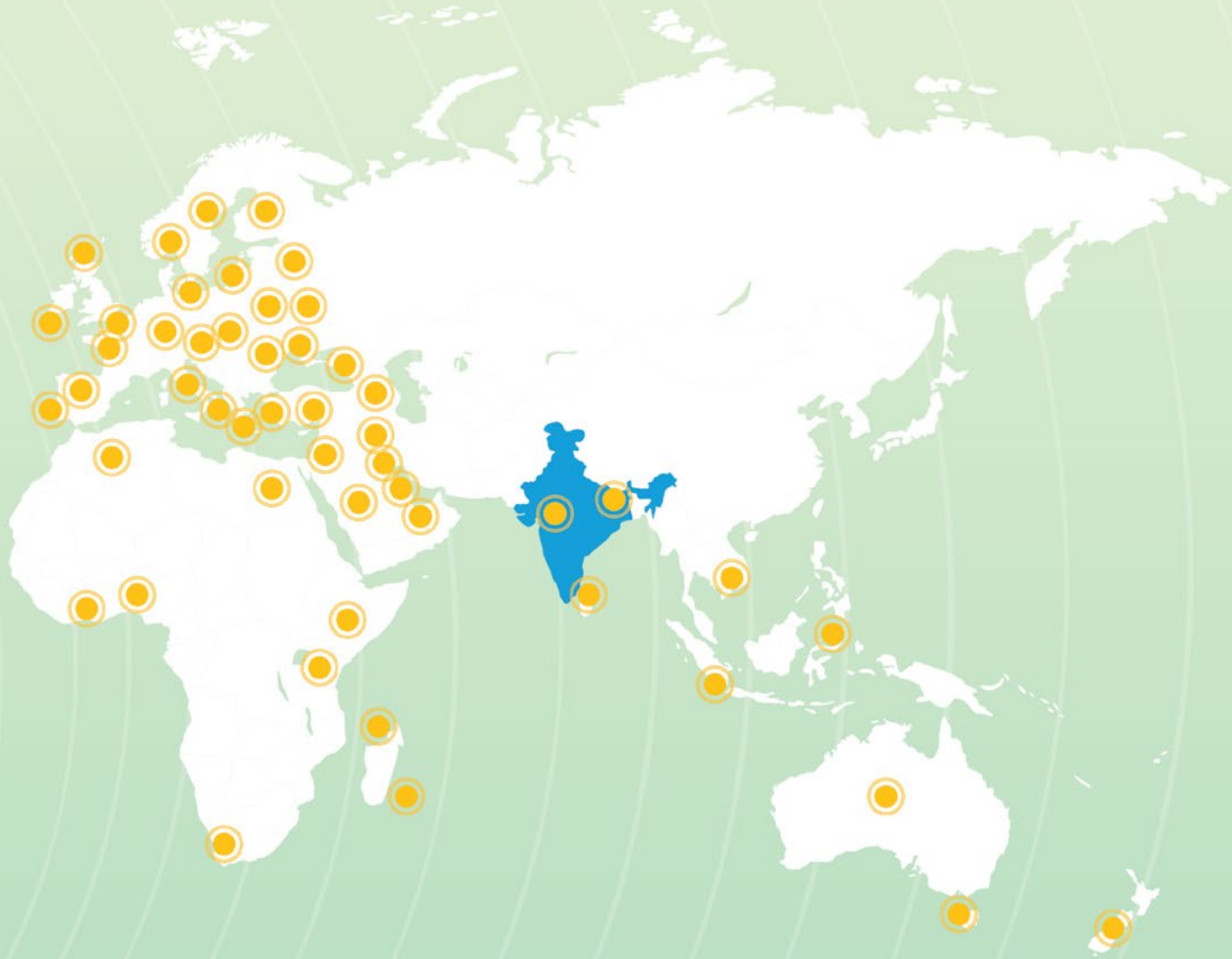
# Global Presence

Delivering innovative solutions to over

**70+**  
**countries,**

Emmbi Industries is championing sustainability on a global scale.





# Emmbi Foundation Trust: Commitment to Social Responsibility

**The Emmbi Foundation Trust, the philanthropic arm of the Company, is dedicated to championing sustainability while supporting the environment and society at large.**

The Emmbi Foundation is actively involved in promoting preventive healthcare and sanitation, as well as comprehensive health awareness projects to address the inclusive and special needs of physical and mental health education.

With a 360-degree approach, the essence of our efforts at Emmbi Industries is reflected in our remarkable journey. As a member of the global community, Emmbi strives to adapt to the evolving needs of the society and contribute to the overall health and well-being of the planet and its inhabitants. The Foundation undertakes several rural development projects, promoting inclusive and special needs education, and works towards enhancing vocational skills among children, women, the elderly, and individuals with disabilities.

## Areas of Impact

### Inclusive Education

Promoting inclusive and special needs education



**100+**

children benefited



### Physical, Mental Healthcare and Sanitation

Promoting preventive healthcare, mental health and sanitation

**50+**

beneficiaries



### Empowerment of Women

Empowering women through education and enhancing vocational skills

**15+**

women benefited



# Sustainable Innovations: Emmbi's Environmental Leadership

**We are dedicated to leading sustainability globally, reducing our environmental impact at every stage, from sourcing to supply chain management. Our focus is on reducing carbon footprints, enhancing recycling, and improving product sustainability.**

**We aim to increase our use of recycled content to 50% across our product portfolio by 2028.**

## Emmbi Reclaim

We have developed Reclaim30, a pioneering compatibilizer-based technology that incorporates over 30% recycled PP into our FIBC bags. Manufactured using our advanced in-house reprocessing facility, these FIBC bags ensure complete end-to-end traceability. Emmbi's Reclaim30 FIBCs utilize the world's first compatibilizer-based recycled PP with performance parameters closely matching virgin PP. Based on our proprietary technology, Reclaim30 is compatible with all grades of virgin PP and applicable in any context where recycled PP is used.

**Reclaim30 is the first and only LABORDATA-certified recycled FIBC bag globally, offering Safe Working Load(s) of 1000 kg, 1250 kg, and 1500 kg, with a 5:1 Safety Factor.**

With its enhanced recycling efficiency, reduced carbon footprint, and growing demand in Western markets, Emmbi is at the forefront of promoting a circular economy for polypropylene with Reclaim30.

## Avana: A Division of Emmbi

Avana provides innovative water conservation solutions to farmers in India — a crucial factor in sustaining their livelihoods.

Avana's flagship product, Jalasanchay, is the world's most affordable water conservation solution. It features a recyclable polymer lining to construct artificial ponds on farms, costing only one-tenth of traditional methods.

**45,000**

Ponds in 7 years

**98%**

improvement in  
farmer income

Avana is complemented by services such as financial linkages and crop advisory, making water conservation accessible and viable for every farmer. The company has established MoUs with multiple banks to provide financing for farmers to implement Jalasanchay on their farms.

By promoting efficient water use and supporting agricultural sustainability, Jalasanchay aligns with Emmbi's commitment to championing sustainability worldwide.



# Key Performance Indicators

## Revenue from Operations

(in Rs. Million)



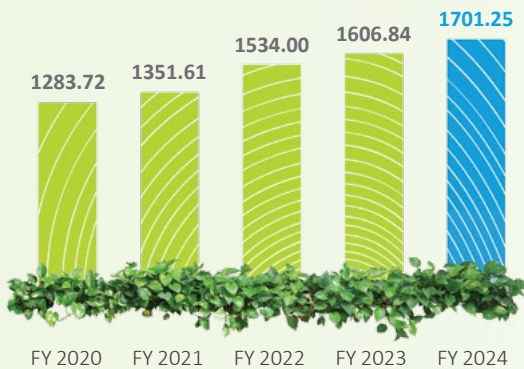
## PAT

(in Rs. Million)



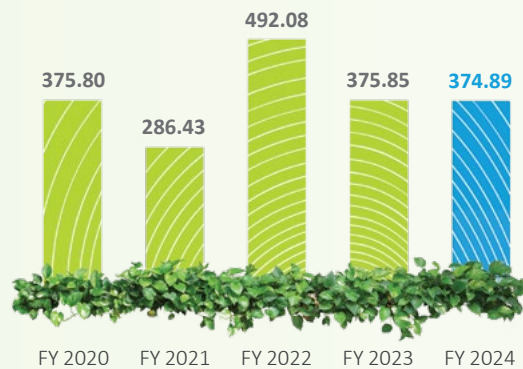
## Net Worth

(in Rs. Million)



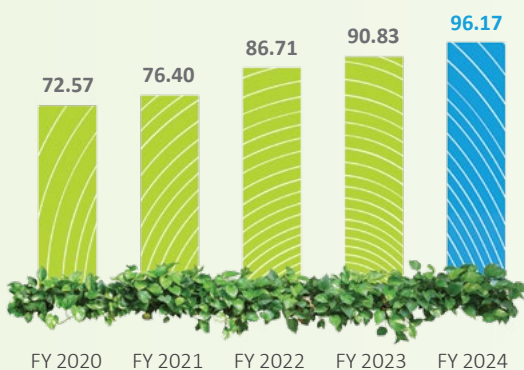
## EBIDTA

(in Rs. Million)



## Book Value

(in Rs. Million)



## EPS – Basic

(in Rs.)



# Message from the Chairman & Managing Director



## Dear Shareholders,

**On behalf of the Board and employees of Emmbi, I proudly present to you, our Annual Report 2023-24. All our endeavors are driven by the goal of “Championing Sustainability Worldwide”, glimpses of which, you will see throughout this Report.**

Our journey over the past three decades has been tremendously meaningful owing to your wholehearted and unwavering support—thank you for being a part of the Emmbi journey.

We are delighted to share with you that 100% of Emmbi’s products manufactured under our “Ecosafe” range (designed to recycle) and the “Reclaim” range (manufactured using substantial amounts of recycled resin) qualify all the global parameters of “Sustainable Bulk Packaging”.

Our Company started its path-breaking journey in the field of sustainable manufacturing by developing recycled polymer products. Striking a balance between using recycled materials and maintaining products that are universally accepted proved to be quite challenging. Ours was one of the few companies that achieved success despite these challenges—Emmbi’s products are currently distributed in over 70 countries—all made using a certain percentage of recycled polymer.

Though the global economy experienced slowed growth at 2.7% this fiscal year, compared to the previous year’s 3.2%, it did not directly impact our operations. Our exports increased 4.47%, propelled by our newfound focus on manufacturing and distributing Sustainable Bulk Packaging.

The Indian economy recorded an immense growth of 8.2% this fiscal year. Emmbi takes pride in making a contribution to this growth, while humbly acknowledging the path for

growth ahead. We witnessed a growth of over 13% by volume. This, despite our value growth looking muted – a result of price softening in the polymer sector, which was to the tune of 30 % over the previous fiscal year.

Our mission, “Sustainability at work, translating to revenues”, initiated in 2023, is now well-established with a comprehensive structural framework encompassing all operational parameters of the Company. The management team is now striving to expand Emmbi’s business not only in developed Western economies but also in developed Eastern economies such as Japan and South Korea – markets traditionally served by China and Vietnam. We have chartered a special five-year plan to penetrate these markets and achieve greater acceptance of our products and brand in the Eastern region.

The launch of “Reclaim 30©, Recycled PP Products” last year has now surpassed its original boundary of using 30% recycled PP material. The new initiative, “Pure Reclaim,” is now boundaryless in both the percentage of usage and the types of polymers used for processing. It is no longer limited to PP; it has expanded to include PE and PVC. Additionally, it has extended beyond products made for the B2B market to encompass the entire product line, including Avana products in the B2C markets.

Our nationwide initiative, “Coconut Tree Plantation,” aimed at benefiting existing Avana customers, has garnered remarkable admiration and goodwill among those who have been using Avana products for over

six years. Emmbi has facilitated the planting of more than 5,000 coconut trees across Maharashtra, Karnataka, and Rajasthan.

We also launched a special initiative – “Sahajeevan” – an Emmbi community designed to foster harmonious and meaningful relationships between the old and new employees. We appreciate the hard work of our long-standing employees and recognize the importance of new recruits in achieving our goal of creating a world-class business.

On behalf of everyone at Emmbi Industries Limited, I would like to extend my gratitude to the Government of India, UT administration of Dadra, Nagar Haveli, Daman and Diu; and the State Governments of Maharashtra, Karnataka, Rajasthan, Uttar Pradesh, and New Delhi, for their continued support in our operations. We also sincerely thank all our stakeholders, bankers, the Stock Exchanges, and financial institutions for their relentless trust in us.

Finally, and just as importantly, I extend my heartfelt thanks to all Emmbi employees, especially those who have journeyed with us for three decades, helping to create such a remarkable organization.

Warm Regards,

**Makrand Appalwar**  
Chairman & Managing Director



# Board of Directors



## Mr. Makrand Appalwar

### Chairman & Managing Director

Mr. Makrand Appalwar is a first-generation entrepreneur who has transformed Emmbi from a trading company into a large-scale manufacturer and exporter. With over two decades of experience in the polymer industry, he has received numerous awards. He emphasizes teamwork and oversees key departments such as Marketing, Branding, and Corporate Strategy. He also drives product development through R&D and continually seeks to enhance sustainability within Emmbi's ecosystem.

Mr. Makrand Appalwar holds a Mechanical Engineering degree from the Maharashtra Institute of Technology, Pune (India), and is an alumnus of the MIT Sloan School of Management, Boston (US).



## Mrs. Rinku M. Appalwar

### Executive Director & CFO

Mrs. Rinku M. Appalwar, Co-Founder of Emmbi Industries, oversees critical departments such as Accounts, Finance, Banking, Compliance & Legal, Procurement, Logistics, Production, and HR & Administration. She sets high standards, earning recognition as a leading lady in manufacturing for three consecutive years.

Mrs. Rinku M. Appalwar played a key role in taking the company public and driving its five-fold growth within five years post-listing. She holds a Chemistry degree from Mumbai University and is an alumnus of the IIM Bangalore.



## Mr. Krishnan I. Subramanian

### Whole-Time Director (Till 30th June, 2023), Non-Executive Non-Independent (w.e.f. 1st July, 2023)

Mr. Krishnan I. Subramanian has over 25 years of experience in Strategic Planning, Risk Management, Private Equity, and M&As. He holds a key influencer role at a family office involved with India's largest privately held logistics entity with supra-national ownership. An active investor in startups across India, Singapore, and the US, he also sits on the Advisory Board of a Microsoft ISV. He has overseen multiple funds, raised over \$600 million, and managed M&As exceeding \$5 billion.

His career spans Banking, Private Equity, Information Technology, Manufacturing, and Service Sectors, providing him with the rich experience of working with 60 nationalities. Mr. Krishnan I. Subramanian graduated from BITS Pilani, India, holds an Accounting Diploma, is a certified IFRS specialist, and is an alumnus of the MIT Sloan School of Management, Boston (US).



## Dr. Venkatesh G. Joshi

### Independent Director

Dr. Venkatesh G. Joshi is a distinguished figure in medicine, having overseen more than 10,000 surgeries as an anesthetist. He is a faculty member at the R. A. Poddar Medical College and a frequent speaker at national and international conferences. An advocate and researcher of Ayurveda, he actively contributes to the field through articles in various health magazines.

He has received the Rajiv Shiromani Award in 2013 for his outstanding contribution to Ayurveda. Dr. Venkatesh G. Joshi graduated in medicine from Marathwada University and holds an MD in Ayurveda from Mumbai University.



## Mr. Prashant K. Lohiya

### Independent Director (Till 22nd May, 2024)

Mr. Prashant K. Lohiya, a practicing Chartered Accountant, is a Fellow Member of the Institute of Chartered Accountants of India (F.C.A.). With over 20 years of experience, he specializes in Accounting, Auditing, Taxation, Finance, and Management Consulting. His expertise is invaluable to the Company, particularly in his role as Chairman of the Audit Committee.

Mr. Prashant K. Lohiya has held prominent positions such as Secretary (2005-06) and Vice Chairman (2006-07) of the Akola Branch of the Western India Regional Council of ICAI. He has presented numerous papers and delivered lectures on various accounting and taxation topics at seminars, conferences, and meetings organized by ICAI.



## 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 Company Secretaries of India (F.C.S.), the Institute of Directors, London, and the Chartered Institute for Securities & Investment, London.

He serves on the LLP Committee of the Ministry of Corporate Affairs and chairs the Core Group on “Draft Rules of the Companies Act, 2013” notified by the Ministry of Corporate Affairs. Mr. Rama A. Krishnan was nominated by the Ministry of Finance, Government of India, as a Member of the Corporate Governance Committee and thrice as a Member of the Advisory Committee on Company Law. He has also appeared before the Parliamentary Standing Committee on the Companies Amendment Bill, 2000, and the Competition Bill, 2000.



## Mr. Nitin D. Alshi

### Independent Director (w.e.f. 29th June, 2024)

Mr. Nitin Alshi is a distinguished professional with 27 years of experience. He is a practicing Chartered Accountant specializing in Strategies, Risk Management, Process Improvements, Cost Transformations, Value Enhancements, and Value-Based Internal Audits. Mr. Alshi holds several qualifications such as FCA, ACMA, PGD-ERM, DISA (ICA), and Certified M&A (IIM-Ahmedabad). He is a knowledge contributor to various institutions, including ICAI, ICMAI, C&AG, and the National Academy of Direct Taxes.

He has served as a member of prestigious forums, including the Internal Audit Standard Board of ICAI- Delhi, various committees of WIRC of ICAI- Mumbai, president of the Nagpur chapter of IIA- USA, managing committee member and professional development committee chairman of the Nagpur chapter of ICMAI, and core committee member of the Chamber of Small Industries Association of Vidarbha. He has also shared his expertise through contributions to journals of ICAI- Nagpur, WIRC- Mumbai of ICMAI, Vidarbha Industries Association, and leading newspapers.

## NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting (AGM) of the Members of Emmbi Industries Limited will be held on Friday, 20<sup>th</sup> day of September, 2024 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 31<sup>st</sup> March, 2024, 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 31<sup>st</sup> March, 2024.
3. To appoint a Director in place of Mr. Makrand Appalwar (DIN 00171950) who retires by rotation and, being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

4. To re-appoint Mr. Makrand M. Appalwar (DIN 00171950) as the Chairman and Managing Director of the Company and in this regard, to pass, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder read with Schedule V to the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force), Articles of Association of the Company and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be imposed or prescribed by any of the Authorities in granting such approvals, permissions and sanctions, the approval of the members, be and is hereby accorded for re-appointment of Mr. Makrand M. Appalwar (DIN 00171950) as the Chairman and Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2025 on such terms and conditions, as set out in the Explanatory Statement, annexed to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** the Board of Directors, be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To re-appoint Mrs. Rinku M. Appalwar (DIN 00171976) as the Executive Director and CFO of the Company and in this regard, to pass, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder read with Schedule V to the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force), Articles of Association of the Company and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be imposed or prescribed by any of the Authorities in granting such approvals, permissions and sanctions, the approval of the members, be and is hereby accorded for re-appointment of Mrs. Rinku M. Appalwar (DIN 00171976) as the Executive Director and CFO of the Company for a period of five years with effect from 1<sup>st</sup> April, 2025 on such terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** the Board of Directors, be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Regularisation of Additional Director, Mr. Nitin Dattatraya Alshi (DIN: 05252946) by appointing him as Independent Director of the Company and in this regard, to pass, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Nitin Dattatraya Alshi (DIN: 05252946), who was appointed by the Board as an Additional Director of the company with effect from 29<sup>th</sup> June, 2024 and in accordance with recommendation of the Board of Directors, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

7. Increase in Authorised Share Capital of the Company and Consequent Amendment in Capital Clause of the Memorandum of Association of the Company and in this regard, to pass, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 13, 61, & 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the Members be and is

hereby accorded to increase the Authorised Share Capital of the Company from the present share capital of Rs. 18,00,00,000/- (Rupees Eighteen Crores Only) consisting of 1,80,00,000 (One Crore Eighty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) consisting of 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V:

\*The Authorised Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores Only) consisting of 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the Board, which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise the powers conferred on the Board by this resolution) and/or the Company Secretary of the Company, be and is hereby severally authorised to take such steps as may be necessary and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the above resolution(s), on behalf of the Company."

8. Preferential Allotment of upto 15,50,000 (Fifteen lakh Fifty Thousand) Fully Convertible Equity Share Warrants to Person(s) belonging to Promoter- Group on Preferential Basis and in this regard, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Companies Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the Companies (Share Capital and Debentures) Rules, 2014, as amended and other relevant rules made there under including any statutory modification(s) thereto or re-enactment thereof for the time being in force, enabling provisions in Memorandum and Articles of Association of the Company, provisions of the listing agreement executed with the Stock Exchanges, where the shares of the Company are listed ("Stock Exchange"), and in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India ("SEBI"), as amended including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended, the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 ("Takeover Regulations") as amended, the Foreign Exchange Management Act, 1999 as amended and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereon, from time to time, Ministry of Corporate Affairs, SEBI and / or any other competent authorities, and subject to the approvals, consents, permissions and / or sanctions, as may be required from the Government of India, SEBI, Stock Exchange, and any other relevant statutory, regulatory, governmental authorities or departments, institutions or bodies and subject

to such terms, conditions, alterations, corrections, changes, variations and / or modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, which the Board has constituted or may hereafter constitute, to exercise one or more of its powers, including the powers conferred hereunder), consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot, on a preferential basis, up to 15,50,000 (Fifteen Lakh Fifty Thousand) Fully Convertible Warrants ("Warrants") carrying a right exercisable by the Warrant holder to subscribe to one Equity Share of face value of Rs 10/- (Rupees Ten Only) each per Warrant, to persons belonging to 'Promoter Group, at an issue price of Rs. 109/- (One hundred and Nine Rupees) per Warrant. (including premium of Rs.99/- (Ninety Nine rupees)) in accordance with the provisions of Chapter V of SEBI ICDR Regulations, for an aggregate amount of up to Rs. 16,89,50,000 (Rupees Sixteen crore Eighty Nine lakhs and Fifty Thousand) Only), on such further terms and conditions as detailed herein below, to the below mentioned persons ("Proposed Allottees"):

Sr No.	Name of the Proposed Allottees	Category	Maximum No. of warrants to be allotted
1	Kitec Industries (India) Private Limited	Promoter Group	15,50,000

**RESOLVED FURTHER THAT** the 'Relevant Date', as per the provisions of Chapter V of the SEBI ICDR Regulations for the purpose of determining the minimum issue price of the Warrants proposed to be allotted to the above mentioned allottees is 21<sup>st</sup> August, 2024 (i.e. being the date, which is 30 days prior to the date of shareholder's meeting which is scheduled on 20<sup>th</sup> September, 2024).

**RESOLVED FURTHER THAT** aforesaid issue of Warrants shall be subject to the following terms and conditions:

- The conversion of warrants into equity shares is to be done on or before the expiry of eighteen (18) months from the date of allotment of warrants in terms of SEBI ICDR Regulations.
- The Proposed Allottee(s) shall, on or before the date of allotment of Warrants, pay an amount equivalent to at least 25% of the Warrant Issue Price fixed per Warrant in terms of the SEBI ICDR Regulations which will be kept by the Company to be adjusted and appropriated against the Warrant Issue Price of the Equity Shares. The balance 75% of the Warrant Issue Price shall be payable by the Warrant Holder at the time of exercising the Warrants.
- Warrants, being allotted to the Proposed Allottee(s) and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock-in for such period as may be prescribed under SEBI ICDR Regulations.

- d) Warrants so allotted under this resolution shall not be sold, transferred, hypothecated, or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.
- e) Warrants, being allotted to the Proposed Allottees, at the discretion of Board of Directors or Board Committee, may be listed on the Stock Exchanges in terms of Chapter V of SEBI (ICDR) Regulations.
- f) Warrants shall be issued and allotted by the Company only in dematerialized form within a period of 15 days from the date of passing a Special Resolution by the members, provided that where the issue and allotment of said warrants is pending on account of pendency of any approval for such issue and allotment by the Stock Exchange(s) and/or Regulatory Authorities, or Central Government, the issue and allotment shall be completed within the period of 15 days from the date of last such approval or within such further period/s as may be prescribed or allowed by the SEBI, the Stock Exchange(s) and/or Regulatory Authorities etc.
- g) Warrants shall be issued and allotted by the Company only in dematerialized form.
- h) The consideration for allotment of Warrants and/or Equity Shares arising out of exercise of such Warrants shall be paid to the Company from the bank account of the Proposed Allottee(s).
- i) In the event the Warrant Holder(s) do not exercise Warrants within the Warrant Exercise Period of 18 months from the date of allotment, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- j) Upon exercise of the option to convert the convertible Warrants within the tenure specified above, the Company shall ensure that the allotment of equity shares pursuant to exercise of the convertible Warrants is completed within 15 days from the date of such exercise by the allottee of such warrants.
- k) The Warrants by itself until converted into Equity Shares, do not give to the Warrant Holder any voting rights in the Company in respect of such Warrants. However, warrants holders shall be entitled to any corporate action such as issuance of bonus shares, right issue, split or consolidation of shares etc. announced by the Company between the date of warrants allotment and their conversion into Equity Shares.

**RESOLVED FURTHER THAT** the Equity Shares proposed to be so allotted upon conversion of Warrants shall rank pari-passu in all respects including as to dividend, with the existing fully paid-up Equity Shares of face value of Rs.10/- (Rupees Ten Only) each of the Company, subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company and/or any Committee constituted by the Board for this purpose and/or Executive Director and/or Company Secretary & Compliance Officer of the Company be and are hereby authorized severally on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient, including without limitation to make application to Stock Exchange for obtaining of in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Warrants, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the shareholders/board.

**RESOLVED FURTHER THAT** in connection with any of the foregoing resolutions, the Board of Directors/Committee(s) of the Board and/or Executive Director and/or Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to execute and deliver any and all other documents, papers and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the preferential issue; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized severally to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any committee of directors or the Executive Director or any director(s) or any other Key Managerial Personnel or any other officer(s) of the Company."

Registered Office:  
99/2/1 & 9, Madhuban Industrial Estate,  
Madhuban Dam Road, Rakholi Village,  
U.T. of Dadra & Nagar Haveli,  
Silvassa 396 230  
Date: 21<sup>st</sup> August, 2024  
Place: Mumbai

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

**Rajesh Solanki  
Company Secretary  
Membership No.:A35937**

## NOTES

1. Pursuant to General Circulars nos. 14/2020 dated April 08, 2020 read with General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020 and 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021 Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2022 dated May 05, 2022 Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') permits the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') facility or other audio visual means ('OAVM') without the physical presence of the Members at a common venue.  
  
Further, Securities and Exchange Board of India (SEBI), vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD 2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 (collectively referred as "SEBI Circulars") and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).  
  
In compliance with the provisions of the Companies Act, 2013 ('Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/OAVM on Friday, September 20, 2024 at 11:30 am. (IST).
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 their authorised representatives to attend the Meeting 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 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. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 4 to 8 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking appointment/re-appointment as Director under Item No. 4 and 6 of the Notice, are also annexed hereto in "Annexure I".
7. Details of Director retiring by rotation at this Meeting are provided in the "Annexure I" to the Notice.
8. In compliance with the MCA Circulars and the SEBI Circulars, Notice of the AGM along with the Annual Report for the Financial Year 2023-24 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 2023-24 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).
9. The relevant 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 and 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).
10. 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 10<sup>th</sup> September, 2024, through email on [info@emmbi.com](mailto:info@emmbi.com) so as to enable the Company to keep the information ready at the AGM.
11. **BOOK CLOSURE:** The Register of Members and Share Transfer Register of the Company will remain closed from Saturday, 14<sup>th</sup> September, 2024 to Thursday 20<sup>th</sup> September, 2024 (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.
12. 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. 66712001-06; Fax No. 66712011; e-mail id: [investorsqry@datamatics bpm.com](mailto:investorsqry@datamatics bpm.com).

- c) 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.
  - d) Quote ledger Folio Number/Client ID and DP ID in all their correspondence.
  - e) Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.
13. **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 19<sup>th</sup> October, 2024:
- (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 13<sup>th</sup> September, 2024 and
  - (b) to all the members in respect of shares held in physical form at the close of business hours on 13<sup>th</sup> September, 2024.

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 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).

14. **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 1<sup>st</sup> 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 2023 to March 2024) 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 1<sup>st</sup> 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':

- i. At twice the rate specified in the relevant provision of the Act; or

- ii. At twice the rates or rates in force; or  
iii. At the rate of 5%

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

- a. 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
- b. 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. 66712001-06; Fax No. 66712011; Email: [investorsqry@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com) on or before 10th September, 2024 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination / deduction shall be entertained post 10th September, 2024.**

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.

15. **IEPF:** Under the Act, dividends that are unclaimed/ unpaid for a period of seven years 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 31<sup>st</sup> March, 2024 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 has sent 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>.

#### 16. 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 1<sup>st</sup> April, 2019, except in case of transmission or transposition of securities. In view of the above, we wish to state that the entire share capital of the Company is being held by the Shareholders in the Dematerialised form.

17. 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.

**18. 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).**

19. 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 8 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 2 (two) working days 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.

**20. The remote e-voting period begins on Monday, 16 September, 2024, 9:00 a.m IST and ends on Thursday, 19<sup>th</sup> September, 2024, 5:00 p.m IST. 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., 13<sup>th</sup> September, 2024 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 13<sup>th</sup> September, 2024.**

#### EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

#### SPECIAL BUSINESS

##### Item No. 4

The Board of Directors of the Company, at their meeting held on 14<sup>th</sup> May, 2024, has, subject to the approval of members, re-appointed Mr. Makrand M. Appalwar (DIN 00171950) as the Chairman and Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2025 on such terms and conditions, as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of Mr. Makrand M. Appalwar (DIN 00171950) as the Chairman and Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Mr. Makrand M. Appalwar are as under:

##### Remuneration:

Total Remuneration during the tenure of 5 years shall be Rs. 10,50,000 per month which includes basic salary, commission and taxable perquisites and other allowances but excluding perquisites to the extent exempted under the Income-tax Act, 1961.

##### Other terms of re-appointment:

a. Perquisites: Subject to overall ceiling as aforesaid, the Managing Director shall have liberty to opt for such other allowances, perquisites and incentive as he deems fit including house rent allowance, medical reimbursement, travelling, lodging and boarding including for spouse and children during business trips, leave travel concession for self and family, club fees,

use of Company cars and such other allowances, benefits, amenities and facilities, etc., as per the Company's Rules or as may be agreed to between the Board of Directors and the Managing Director.

- b. Commission: The amount of Commission would be determined based on the net profits of the Company in a particular year and shall be subject to the overall ceiling laid down under the Act.
- c. The Managing Director will also be a member of the Group Mediclaim / Health Insurance and Group/Personal Travel Accident Insurance policies of the Company.
- d. Exempted perquisite: in addition to the perquisites referred above, he will also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration.
  - Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
  - Gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income Tax Law;
  - Encashment of leave at the end of the tenure; and
  - Reimbursement of expenses incurred for the business of the Company.
- e. Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable, and at cost, in the absence of any such rules.
- f. The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- g. The Managing Director will act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors. Subject to the superintendence, control and direction of the Board of Directors, the Chairman and Managing Director shall manage and conduct the business and affairs of the Company.
- h. The Managing Director shall adhere to the Company's Code of Conduct.
- i. The office of Managing Director may be terminated by giving six months' notice in writing by either by him or by the Company.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Makrand M. Appalwar under Section 190 of the Act.

Details of Mr. Makrand M. Appalwar are provided in the 'Annexure I' to the Notice.

Mr. Makrand M. Appalwar is interested in the said resolution set out

at Item No. 4 of the Notice. Mrs. Rinku M. Appalwar, being related to Mr. Makrand M. Appalwar may be deemed to be interested in the said resolution.

The other relatives of Mr. Makrand M. Appalwar may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially, or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

#### **A brief profile of Mr. Makrand M. Appalwar is given below:**

Mr. Makrand M. Appalwar is the Chairman and Managing Director of the Company since 29<sup>th</sup> November, 1994. He is the member of Committee of Directors.

Mr. Makrand M. Appalwar a first-generation entrepreneur was instrumental in envisioning, and transforming Emmbi from a trading company to a large-scale manufacturer. He has over two decades of experience in the polymer industry and is the recipient of many awards.

He lays great emphasis on teamwork, mentors the sales team, drives product development, and is continually seeking ways to enhance sustainability, in the ecosystem around Emmbi. He has expertise in functional areas like Marketing, Branding, Product Development through R&D, and Corporate Strategy. He lays great emphasis on teamwork, mentors the sales team, drives product development, and is continually seeking ways to enhance sustainability, in the ecosystem around Emmbi. He has expertise in functional areas like Marketing, Branding, Product Development through R&D, and Corporate Strategy.

Mr. Makrand M. Appalwar is a graduate Electronics Engineer, from Maharashtra Institute of Technology, Pune, (India) and an alumnus of MIT Sloan School of Management, Boston (US).

#### **Item No. 5**

The Board of Directors of the Company, at their meeting held on 14<sup>th</sup> May, 2024, has, subject to the approval of members, re-appointed Mrs. Rinku M. Appalwar (DIN 00171976) as the Executive Director and CFO of the Company for a period of five years with effect from 1<sup>st</sup> April, 2025 on such terms and conditions, as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of Mrs. Rinku M. Appalwar (DIN 00171976) as the Executive Director and CFO of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Mrs. Rinku M. Appalwar are as under:

#### Remuneration:

Total Remuneration during the tenure of 5 years shall be Rs. 10,00,000 per month which includes basic salary, commission and taxable perquisites and other allowances but excluding perquisites to the extent exempted under the Income-tax Act, 1961.

#### Other terms of re-appointment:

- a. Perquisites: Subject to overall ceiling as aforesaid, the Executive Director and CFO shall have liberty to opt for such other allowances, perquisites and incentive as he deems fit including house rent allowance, medical reimbursement, travelling, lodging and boarding including for spouse and children during business trips, leave travel concession for self and family, club fees, use of Company cars and such other allowances, benefits, amenities and facilities, etc., as per the Company's Rules or as may be agreed to between the Board of Directors and the Executive Director and CFO.
- b. Commission: The amount of Commission would be determined based on the net profits of the Company in a particular year and shall be subject to the overall ceiling laid down under the Act.
- c. The Executive Director and CFO will also be a member of the Group Medisclaim / Health Insurance and Group/Personal Travel Accident Insurance policies of the Company.
- d. Exempted perquisite: in addition to the perquisites referred above, she will also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration.
- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
  - Gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income Tax Law and
  - Encashment of leave at the end of the tenure; and
  - Reimbursement of expenses incurred for the business of the Company.
- e. Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable, and at cost, in the absence of any such rules.
- f. The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- g. The Managing Director will act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors. Subject to the superintendence, control and direction of the Board of Directors, the Chairman and Managing Director shall manage and conduct the business and affairs of the Company.
- h. The Managing Director shall adhere to the Company's Code of Conduct.
- i. The office of Managing Director may be terminated by giving six months' notice in writing by either by him or by the Company.

The above may be treated as a written memorandum setting out the

terms of re-appointment of Mrs. Rinku M. Appalwar under Section 190 of the Act.

Details of Mrs. Rinku M. Appalwar are provided in the 'Annexure I' to the Notice.

Mrs. Rinku M. Appalwar is interested in the said resolution set out at Item No. 5 of the Notice. Mr. Makrand M. Appalwar, being related to Mrs. Rinku M. Appalwar may be deemed to be interested in the said resolution.

The other relatives of Mrs. Rinku M. Appalwar may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially, or otherwise in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

#### **A brief profile of Mrs. Rinku M. Appalwar is given below:**

Mrs. Rinku M. Appalwar is the Executive Director of the Company since 29<sup>th</sup> November, 1994. She was re-designated as the Executive Director and CFO of the Company since 10<sup>th</sup> November, 2012. She is the member of Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Committee of Directors.

Mrs. Rinku M. Appalwar, the cofounder has expertise in functional areas like Accounts & Finance, Banking, Procurement, Logistics, and administrative functions of the company. 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.

Mrs. Rinku M. Appalwar was instrumental in taking the company public, and ensuring its five-fold growth in five years from the time Emmbi became a publicly traded company.

Mrs. Rinku M. Appalwar is a graduate in Chemistry from Mumbai University, and an alumna of IIM Bangalore.

#### **Item No. 6**

Board of directors of the Company through resolution passed on date 29.06.2024 has appointed Mr. Nitin Dattatraya Alshi as an Additional Director of the Company. Pursuant to the provisions of section 161 of the Act who holds office as an Additional Director upto the date of this Annual General Meeting.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. Nitin Dattatraya Alshi as a Director of the Company.

The Board recommends the resolution set forth in Item no.6 for the approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Nitin Dattatraya Alshi is concerned or interested, financial or otherwise, in the resolution.

**Item No. 7**

The Members may take note that presently the authorised share capital of the Company is Rs. 18,00,00,000/- consisting of 1,80,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each.

In view of business requirements of raising funds from time to time, the Company proposes to increase its Authorised Share Capital to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) consisting of 2,00,00,000 (Two Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

Pursuant to the provisions of Section 61, the proposed increase of Authorised Share Capital of the Company requires approval of the Members. Consequent upon the increase in Authorised Share Capital of the Company, Clause V of the Memorandum of Association of the Company will require alteration so as to reflect the increase in the Authorised Share Capital.

Accordingly, approval of the Members of the Company is hereby sought by way of Ordinary Resolution as set out in Item No. 7 of the Notice of AGM.

A copy of the Memorandum of Association of the Company along with the proposed amendments is available for inspection by the members at the Registered Office of the Company between 11:00 AM and 5:00 PM on all working days from Monday to Friday from the date of dispatch of this Notice till the date of AGM, except all national holidays.

None of the Directors and Key Managerial Personnel (including relatives of directors or key managerial personnel) of the Company is

concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company.

**Item No. 8**

The Special Resolution contained in Item No. 8 of the notice, has been proposed pursuant to the provisions of Sections 42 and 62 of the Companies Act, 2013, to issue and allot up to 15,50,000 (Fifteen Lakh Fifty Thousand) Fully Convertible Warrants ("Warrants") carrying a right exercisable by the Warrant holder to subscribe to one Equity Share per Warrant, to persons belonging to 'Promoter Group', on preferential basis, at an issue price of Rs. 109/- (One hundred and Nine Rupees) per Warrant. (including premium of Rs.99/- (Ninety Nine rupees)) in accordance with the provisions of Chapter V of SEBI ICDR Regulations, for an aggregate amount of up to Rs. 16,89,50,000/- (Rupees Sixteen crore Eighty Nine lakhs and Fifty Thousand) for cash.

The proposed Preferential Issue is to be issued to the persons belonging to 'Promoter Group' as per the details disclosed in the respective resolution. The preferential issue shall be made in terms of Chapter V of the SEBI ICDR Regulations, 2018 and applicable provisions of Companies Act, 2013. The said proposal has been considered and approved by the Board in its meeting held on 21<sup>st</sup> August, 2024.

The approval of the members is accordingly being sought by way of passing a 'Special Resolution' under Sections 42, and 62(1)(c) of the Companies Act, 2013, read with the rules made thereunder, and Regulation 160 of the SEBI ICDR Regulations for Item No. 8 of the Notice.

The details of the issue and other particulars as required in terms of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, with respect to the additional disclosures for objects of the issue and Regulation 163 of the SEBI (ICDR), Regulations are set forth below:

Sr No.	Particulars	
1.	Particulars of the offer including date of passing of Board resolution, kind of Securities offered, maximum number of Securities to be issued, manner of issue of shares, class or classes of persons to whom allotment is proposed to be made and the Issue Price	The Board of Directors at its meeting held on 21 <sup>st</sup> August, 2024 has, subject to the approval of the Members and such other approvals as may be required, approved the issuance and allotment of up to 15,50,000 (Fifteen Lakh Fifty Thousand) Fully Convertible Warrants at an issue price of Rs. 109/- (One hundred and Nine Rupees) per Warrant. (including premium of Rs.99/- (Ninety Nine rupees)) for an aggregate amount of up to Rs.16,89,50,000/- (Rupees Sixteen crore Eighty Nine lakhs and Fifty Thousand) for cash, by way of a preferential issue to the persons belonging to 'Promoter / Promoter Group'.
2.	Objects of the Preferential Issue	The object of the preferential issue is to fund capital expenditure and working capital requirements of the Company. The Members are further informed that the object of the issue of the Share Warrants by way of the proposed preferential offer as mentioned above is to strengthen the financial position of the Company which may increase net worth of the Company. The Board of Directors of the Company has decided to issue Share Warrants which is in the best interests of the Company.
	Schedule of Implementation and Deployment of Funds	Since present preferential issue is for convertible warrants, issue proceeds shall be received by the Company in 18 months period from the date of allotment of warrants in terms of Chapter V of the SEBI (ICDR) Regulation, and as estimated by our management, the entire proceeds received from the issue would be utilized for the all the above mentioned objects, in phases, as per the company's business requirements and availability of issue proceeds.
	Monitoring of Utilization of Funds	Since the issue size is not above Rs. 100 Crore, the Company will not have to make arrangements for the use of proceeds of the issue to be monitored by Credit Rating Agency registered with SEBI pursuant to Regulation 162A of SEBI (ICDR) Regulations, 2018.

Sr No.	Particulars									
3	Relevant Date	In terms of the provisions of Chapter V of the SEBI ICDR Regulations, the Relevant Date for determining the floor price for the Preferential Allotment of warrants is 21 <sup>st</sup> August, 2024 (i.e. being the date, which is 30 days prior to the date of shareholder's meeting which is scheduled on 20 <sup>th</sup> September, 2024)								
4	Basis on which the price has been arrived at and justification for the price (including premium, if any);	<p>The Equity Shares of the Company are listed on BSE Limited ('BSE') &amp; National Stock Exchange of India Limited ('NSE') and are frequently traded as per the provisions of ICDR Regulations as on the Relevant Date,</p> <p>In terms of the provisions of Regulation 164 of the SEBI ICDR Regulations, the minimum price at which equity shares shall be issued pursuant to conversion of warrants shall not be less than higher of the following:</p> <p>(a) Rs. 108.76/- each as per the [90 trading days] volume weighted average price (VWAP) of the Equity Shares of Emmbi Industries Limited quoted on the Stock Exchange preceding the relevant date (considering relevant date as 21<sup>st</sup> August, 2024)</p> <p>(b) Rs. 107.21/- each as per the [10 trading days] volume weighted average price (VWAP) of the Equity Shares of Emmbi Industries Limited quoted on the Stock Exchange preceding the relevant date (considering relevant date as 21<sup>st</sup> August, 2024)</p> <p>Accordingly, the issue price of Equity Shares pursuant to conversion of Convertible Warrants on Preferential basis shall be at a price of Rs. 108.76/- each which further rounded of to Rs. 109/- for the purpose of issue (Face Value Rs. 10/- each + Premium Rs. 99/- each).</p> <p>Valuation Report of the same has been placed on the website of the Company <a href="http://www.emmbi.com">www.emmbi.com</a> to facilitate online inspection of relevant documents until the end of AGM.</p>								
5	Amount which the company intends to raise by way of such securities	Aggregate amount of up to Rs. 16,89,50,000/- (Rupees Sixteen crore Eighty Nine lakhs and Fifty Thousand only)								
6	Name and address of valuer who performed valuation;	<p>CA Aditya Satish Derashri Registered Valuer IBBI Valuer Reg No- IBBI/RV/06/2023/15422 Membership No – ICAIRVO/06/RV-P034/2023-2024 Office at A/21, Sahil Apt. Near Dev Nagar, Kandivali (W), Mumbai 400067</p> <p>Valuation Report has been placed on the website of the Company <a href="http://www.emmbi.com">www.emmbi.com</a></p>								
7	Principal terms of Assets charged as securities	Not Applicable								
8	Material terms of raising such securities	<p>The same has been disclosed in the respective resolution.</p> <p>Valuation Report has been placed on the website of the Company <a href="http://www.emmbi.com">www.emmbi.com</a></p>								
9	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Since, allotment is made for consideration in Cash, so justification for consideration other than cash is not applicable.								
10	Valuation for consideration other than cash	Since, allotment is made for consideration in Cash, so justification for consideration other than cash is not applicable.								
11	The intent of the Promoters, Directors or key management personnel of the issuer to subscribe to the offer	<p>Promoter/ Promoter Group of the Company are subscribing to the issue to the extent of number of warrants proposed to be issued, written against their names, as detailed in the following table:</p> <table border="1"> <thead> <tr> <th>Sr No.</th> <th>Proposed Allottees</th> <th>Category</th> <th>No. of Warrants</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Kitec Industries (India) Private Limited</td> <td>Promoter Group</td> <td>15,50,000</td> </tr> </tbody> </table> <p>Except these warrants, none of the other current Promoters, Directors or Key Managerial Personnel of the Company intends to subscribe to the proposed preferential offer.</p>	Sr No.	Proposed Allottees	Category	No. of Warrants	1	Kitec Industries (India) Private Limited	Promoter Group	15,50,000
Sr No.	Proposed Allottees	Category	No. of Warrants							
1	Kitec Industries (India) Private Limited	Promoter Group	15,50,000							

Sr No.	Particulars																																																																																																																																																					
12	Contribution being made by the promoters or Directors either as part of the offer or separately in furtherance of objects	Nil																																																																																																																																																				
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14	Proposed time limit within which the allotment shall be completed	In terms of Regulation 170 of the SEBI ICDR Regulations, preferential allotment of said warrants will be completed within a period of 15 (fifteen) days from the date of passing of such resolution provided that where the issue and allotment of said warrants is pending on account of pendency of any approval for such issue and allotment by the Stock Exchange(s) and/or Regulatory Authorities, or Central Government, the issue and allotment shall be completed within the period of 15 days from the date of last such approval or within such further period/s as may be prescribed or allowed by the SEBI, the Stock Exchange(s) and/or Regulatory Authorities etc.																																																																																																																																																				
15	Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees:	<p>Disclosure of ultimate beneficial owners of the issue are as below:</p> <table border="1"> <thead> <tr> <th>Sr No.</th> <th>Name of the Allottees</th> <th>Name of beneficial owners of proposed allottee</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Kitec Industries (India) Private Limited</td> <td>Avinash Rameshchandra Laddha</td> </tr> </tbody> </table>	Sr No.	Name of the Allottees	Name of beneficial owners of proposed allottee	1.	Kitec Industries (India) Private Limited	Avinash Rameshchandra Laddha																																																																																																																																														
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Sr No.	Particulars			
16	Number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:	The Company has not made any preferential allotment during the current financial year FY 2024- 25.		
17	The percentage of post preferential issue capital that may be held by the allottee(s) and change in control, if any, in the issuer consequent to the preferential issue	<b>Category</b>	<b>Pre Issue % Holding</b>	<b>Number of Equity Shares proposed to be allotted or to be allotted post conversion of Warrants into Equity</b>
		Promoter Group	0.76	15,50,000 equity shares at a conversion ratio 1:1
		The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment.		
18	The total number of shares or other securities to be issued	The Board intends to offer, issue and allot up to 15,50,000 share warrants of the Company, having face value of ₹10/- (Rupees Ten Only) each, at a price of Rs. 109/- (One hundred and Nine Rupees) per Warrant. (including premium of Rs.99/- (Ninety Nine rupees)) per equity share or the minimum price determined as on Relevant Date in accordance with Regulation 164(1) of the ICDR Regulations and applicable law, whichever is higher.		
19	The price or price band at / within which the allotment is proposed:	The issue price is Rs. 109/- (One hundred and Nine Rupees) (including premium of Rs.99/- (Ninety Nine rupees)) per share warrant or the minimum price determined as on Relevant Date in accordance with Regulation 164(1) of the ICDR Regulations and applicable law, whichever is higher.		
20	Disclosures specified in Schedule VI of ICDR Regulations, if the issuer or any of its promoters or directors is a willful defaulter or fraudulent borrower	Not applicable		
21	The current and proposed status of the allottee (s) post the preferential issues namely, promoter or non promoter	<b>Name of the Allottees</b>	<b>Current Status</b>	<b>Post Status</b>
		Kitec Industries (India) Private Limited	Promoter Group	Promoter Group
22	Practicing Company Secretary's Certificate	The certificate from Practicing Company Secretaries, certifying that the preferential issue of warrants is being made in accordance with requirements of Chapter V of SEBI ICDR Regulations has been obtained considering the said preferential issue and same has been placed at the website of the Company <a href="https://emmbi.com/">https://emmbi.com/</a> to facilitate online inspection of relevant documents until the end of AGM.		
	Undertakings	<ul style="list-style-type: none"> <li>None of the Company, its Directors or Promoters are categorized as willful defaulter(s) or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines issued by Reserve Bank of India. Consequently, the undertaking required under Regulation 163(1)(i) is not applicable.</li> <li>None of its Directors or Promoters is fugitive economic offenders as defined under the SEBI ICDR Regulations.</li> <li>As the equity shares have been listed on a recognized Stock Exchange(s) for a period of more than 90 trading days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable. Consequently, the undertaking required under Regulation 163(1)(g) and Regulation 163(1)(h) is not applicable.</li> </ul> <p>None of the allottees have sold or transferred any Equity Shares during the 90 trading days preceding the relevant date.</p>		
	Lock-in Period	The securities allotted to Proposed Allottees shall be locked in as per Regulation 167(6) and other applicable provisions of ICDR Regulations. The consent of the Shareholders is sought for the issue of equity shares in terms of Section 62(1)(c) and other applicable provisions, if any, of the Act and in terms of the provisions of the ICDR Regulations and the listing agreements entered into by the Company with the stock exchanges, where the Company's equity shares are listed. The documents referred in the Notice are available for inspection at the registered office of the Company between 11:00 a.m to 5.00 p.m. on all working days (except Saturdays, Sundays and Holidays) up to the date of Annual General Meeting.		

Sr No.	Particulars
	<p>Payment of Consideration</p> <p>In terms of the provisions of Regulation 169(2) of the SEBI (ICDR) Regulations, 2018; an amount equivalent to at least 25% (twenty five percent) of the total consideration for the Share Warrants will be payable at the time of subscription to the Share Warrants, which will be kept by the Company to be adjusted and appropriated against the issue price of the Resulting Equity Shares.</p> <p>A Share Warrant balance exercise price equivalent to the 75% of the issue price shall be payable by the Proposed Allottee(s) at the time of exercising the Share Warrant.</p> <p>In case the Warrant holder do not apply for the conversion of the outstanding Share Warrants into equity shares of the Company within 18 (eighteen) months from the date of allotment of the Share Warrants, then the consideration paid upon each of the said outstanding Share Warrants shall be forfeited and all the rights attached to the Convertible Warrants shall lapse automatically.</p>

Mr. Makrand M. Appalwar and Ms. Rinku M. Appalwar (Promoters of the Company) may be considered as deemed to be concerned or interested in the said resolution due to their Directorship / Shareholding on the Board of the Company. Except them, none of the Directors, Key Managerial Personnel or their relatives are in any way financially or otherwise concerned or interested in the passing of this Special Resolution as set out at Item No. 8 of this notice except and to the extent of their shareholding in the Company.

The Board of Directors recommends the resolutions as set out in Item No. 8 of this notice for the issue of warrants on a preferential basis, to the proposed allottees by way of Special Resolution.

Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

#### Annexure I to the Notice dated 21<sup>st</sup> August, 2024

##### 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	Mr. Makrand M. Appalwar
Age	54 years
DIN	00171950
Nationality	Indian
Qualifications	Graduate in Mechanical Engineer, from Maharashtra Institute of Technology, Pune, (India) and an alumnus of MIT Sloan School of Management, Boston (US).
Experience (including expertise in specific functional area)/ Brief Resume	Please refer Explanatory Statement to this Notice.
Date of First Appointment on the Board	29 <sup>th</sup> November, 1994
Number of shares held in the Company (singly or jointly as first holder) as on 31 <sup>st</sup> March, 2024	38,39,550 equity shares of Rs. 10/- each.
Relationship with other Directors/ Key Management Personnel	Spouse of Mrs. Rinku M. Appalwar and not related to any other Director/ Key Management Personnel.
Number of meetings of the Board attended during the financial year (2023-2024)	5
Directorships of other Boards as on 31 <sup>st</sup> March, 2024	1. Kitec Industries (India) Private Limited 2. Emmbi Laboratories Private Limited 3. Maithili Agrotech 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 31 <sup>st</sup> March, 2024	Nil
Terms and conditions of appointment/re-appointment along with details of remuneration sought to be paid	Makrand M. Appalwar was re-appointed and designated as the Chairman and Managing Director of the Company on 31 <sup>st</sup> March, 2020 for a period of 5 years at a remuneration of Rs.72 Lakhs by the shareholders at the AGM held on 12 <sup>th</sup> September, 2020 and subsequently his remuneration was change to Rs. 10,00,000 p.m which was approved by the shareholders at AGM held on 13 <sup>th</sup> September, 2022.
Details of last drawn remuneration	During the Financial Year 2023-24, an aggregate amount of Rs. 78 Lakhs was paid as managerial remuneration.



<b>Name of the Director</b>	<b>Mrs. Rinku M. Appalwar</b>
Age	52 years
DIN	00171976
Nationality	Indian
Qualifications	Graduate in Chemistry from Mumbai University, and an alumnus of IIM Bangalore.
Experience (including expertise in specific functional area)/ Brief Resume	Please refer Explanatory Statement to this Notice.
Date of First Appointment on the Board	29 <sup>th</sup> November, 1994
Number of shares held in the Company (singly or jointly as first holder) as on 31 <sup>st</sup> March, 2024	23,67,746 equity shares of Rs. 10/- each.
Relationship with other Directors/ Key Management Personnel	Wife of Mr. Makrand M. Appalwar and not related to any other Director/ Key Management Personnel.
Number of meetings of the Board attended during the financial year (2023-2024)	5
Directorships of other Boards as on 31 <sup>st</sup> March, 2024	1. Kitec Industries (India) Private Limited 2. Emmbi Laboratories Private Limited 3. Maithili Agrotech Private Limited 4. Indian Flexible Intermediate Bulk Container Association
Chairmanship/ Membership of the Committee(s) of the Board of Directors of other companies in which he/she is a Director as on 31 <sup>st</sup> March, 2024	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 31 <sup>st</sup> March, 2020 for a period of 5 years at a remuneration of Rs.72 Lakhs by the shareholders at the AGM held on 12 <sup>th</sup> September, 2020 and subsequently her remuneration was change to Rs. 10,00,000 p.m which was approved by the shareholders at AGM held on 13 <sup>th</sup> September, 2022.
Details of last drawn remuneration	During the Financial Year 2023-24, an aggregate amount of Rs. 72 Lakhs was paid as managerial remuneration.

<b>Name of the Director</b>	<b>Mr. Nitin Alshi</b>
Age	54 years
DIN	05252946
Nationality	Indian
Qualifications	Chartered Accountant
Experience (including expertise in specific functional area)/ Brief Resume	Strategies, Risk management, Process improvements, cost transformations, value enhancements and value based Internal audits
Date of first appointment on the Board	29 <sup>th</sup> June, 2024
Number of Equity Shares held in the Company as on 31 <sup>st</sup> March, 2024	Nil
Relationship with other Directors/ Key Management Personnel	There is no inter-se relationship between Mr. Nitin Alshi and other Directors /Manager/ Key Managerial Personnel of the Company.
Number of meetings of the Board attended during the financial year (2023-2024)	Not Applicable
Directorships of other Boards as on 31 <sup>st</sup> March, 2024	Trust Fintech Limited Grow profit advisors Pvt Ltd.

Name of the Director	Mr. Nitin Alshi
Chairmanship/ Membership of the Committee(s) of the Board of Directors of other companies in which he/she is a Director as on 31 <sup>st</sup> March, 2024	Trust Fintech Limited:  Audit committee – Chairperson Nomination And Remuneration Committee – Chairperson Stakeholder Relationship Committee- Chairperson
Terms and conditions of appointment/reappointment along with details of remuneration sought to be paid	Appointed as a Non-Executive, Independent Director, of the Company for 3 years, not liable to retire by rotation.  He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other meetings as may be decided by the Board of Directors, reimbursement of expenses for participating in the Board and other meetings.
Details of last drawn remuneration	Not Applicable

Registered Office:  
99/2/1 & 9, Madhuban Industrial Estate,  
Madhuban Dam Road, Rakholi Village,  
U.T. of Dadra & Nagar Haveli,  
Silvassa 396 230  
Date: 21<sup>st</sup> August, 2024  
Place: Mumbai

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

**Rajesh Solanki  
Company Secretary  
Membership No.:A35937**



**THE INTRUCTIONS FOR REMOTE E-VOTING (ELECTRONIC VOTING) ARE AS FOLLOWS:**

**A. VOTING THROUGH ELECTRONIC MEANS**

**Remote e-voting Instructions for Members are as under:**

Pursuant to SEBI circular dated 09<sup>th</sup> December 2020 on e-voting facility, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 09<sup>th</sup> June, 2021.

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 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.nsdl.com">https://eservices.nsdl.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.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.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.nsdl.com/">https://www.evoting.nsdl.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> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

**NSDL Mobile App is available on**



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>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 &amp; 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.</li> </ol>
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Type of shareholders	Login Method
	<ol style="list-style-type: none"> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>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 &amp; voting during the meeting.</li> </ol>

**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 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?

- 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.
- 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, 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.*
- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
<b>a) For Members who hold shares in demat account with NSDL.</b>	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>b) For Members who hold shares in demat account with CDSL.</b>	16 Digit Beneficiary ID.  For example if your Beneficiary ID is 12***** then your user ID is 12*****.
<b>c) For Members holding shares in Physical Form.</b>	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.
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 : 022- 4886 7000 and 022- 2499 7000 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 e mail 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

#### STEP 2: CAST YOUR VOTE ELECTRONICALLY ON NSDL E-VOTING SYSTEM.

##### How to cast your vote electronically 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 is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.

Individual shareholder 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 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.

**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.evotingindia.com](http://www.evotingindia.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

[(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 30<sup>th</sup> Annual Report of your Company and the Audited Accounts for the year ended 31<sup>st</sup> March, 2024.

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 financial results for the period under review are set out below:

## FINANCIAL RESULTS:

Particulars	(Rs. in Millions)	
	Year ended March 31, 2024	Year ended March 31, 2023
Gross Sales	4,425.43	4,353.25
Less: Goods & Service Tax	(651.10)	(642.43)
Net Sales	3,774.34	3,710.83
Other income	1.62	1.22
Total revenue	3,775.96	3,712.05
Profit before Depreciation, Finance Cost, Exceptional item & Tax	374.88	375.85
Less: Depreciation	(107.89)	(98.97)
Profit before Finance Cost, Exceptional item & Tax	266.99	276.88
Less: Finance Costs	(168.97)	(157.01)
Profit before Exceptional Items & Tax	98.02	119.86
Add: Exceptional Items	0.00	0.00
Profit before tax	98.02	119.86
Less: Tax expenses	1.45	(37.20)
Profit after Tax	99.47	82.66
Opening Balance of retained earnings	1,157.29	1,084.45
Profit available for appropriation	99.47	82.66
Balance available for appropriation	1,256.76	1,167.11
Adjustment relating to fixed assets	0.00	0.00
Adjustments with other Equity	0.25	0.80
Less: Proposed Dividend / Paid	(4.88)	(9.63)
Less: Distribution tax on Dividend/TDS	(0.43)	(0.98)
Closing Balance of retained earnings	1,251.70	1,157.29

Note:-Previous years figures have been regrouped wherever necessary.

## OPERATIONS:

During the year under review, your Company has achieved Revenue from Operations and the Income aggregating to Rs. 3,775.96 million as against Rs. 3,712.05 million during the previous year. Profit after providing for taxes is Rs. 99.47 million as against Rs. 82.66 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

31<sup>st</sup> March, 2024 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.

## TRANSFER TO RESERVES:

The Board of Directors of your Company, has decided not to transfer any amount to the Reserves for the Year Under View.

## EXPORTS:

Values of Exports during the year under review were Rs.2,569.30 million as against Rs. 2,459.25 million. Exports in the current financial year contributed to 58.06 % in the gross sales. Company has

expanded its presence in 70+ 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 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.

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, 2024 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, 2024 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, Mr. Makrand Appalwar (DIN:00171950), Chairman and Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself 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:

Sr. No.	Name of the Person	Designation
1	Mr. Makrand M. Appalwar	Chairman & Managing Director
2	Mrs. Rinku M. Appalwar	Executive Director and Chief Financial Officer
3	Mr. Kaushal R. Patvi*	Company Secretary and Compliance Officer
4	Mrs. Bhavi R. Gandhi**	Company Secretary and Compliance Officer

\*Mr. Kaushal Patvi ceased to function as the Company Secretary and Compliance Officer with effect from 31st July, 2023.

\*\*Mrs. Bhavi Gandhi was appointed as the Company Secretary and Compliance Officer with effect from 23rd October, 2023 and has tendered her resignation with effect from 15th May, 2024.

There has been no change in the constitution of Board of Directors of the Company during the financial year 2023-24.

Re-Appointment of Mr. Makrand M. Appalwar as the Chairman and Managing Director of the Company

The Board of Directors of the Company, at its meeting held on 14<sup>th</sup> May, 2024 has, subject to the approval of members, re-appointed Mr. Makrand M. Appalwar (DIN 00171950) as the Chairman and Managing Director of the Company for a period of five years with effect from April 1, 2025 on the terms and conditions at an existing remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of Mr. Makrand M. Appalwar (DIN 00171950) as the Chairman and Managing Director of the Company, in terms of the applicable provisions of the Act.

Re-Appointment of Mrs. Rinku M. Appalwar as the CFO & Executive Director-Finance Director of the Company

The Board of Directors of the Company, at its meeting held on 14<sup>th</sup> May, 2024 has, subject to the approval of members, re-appointed Mrs. Rinku M. Appalwar (DIN 00171976) as the CFO & Executive Director-Finance Director of the Company for a period of five years with effect from April 1, 2025 on the terms and conditions at an existing remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of Mrs. Rinku M. Appalwar (DIN 00171976) as the CFO & Executive Director-Finance of the Company, in terms of the applicable provisions of the Act.

Mr. Krishnan I. Subramanian, has step down from the position of Whole-Time Director w.e.f. 1<sup>st</sup> July, 2023 and he is continuing as Non-executive Non-independent director of the Company.

### 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 18<sup>th</sup> 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:

Zastian PTE. Ltd., a private company limited by shares incorporated in Singapore during the year, is a wholly owned subsidiary of the Company. As of the date of this report, no funds have been invested in the company.

#### 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 victimization 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 Act.

**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.

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-3 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:**

- 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.
- 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.

- Significant reductions in energy consumption and cost of production of goods have been observed by the implementation of above referred measures.
- 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 Manufacturing Unit of the Company located at 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U. T. of Dadra & Nagar Haveli and Daman & Diu, Silvassa 396 230, is accorded In-house Research and Development recognition up to 31<sup>st</sup> 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; and
- 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	31.08
Revenue Expenditure	0.00
Total R&D Expenditure	31.08
Total Turnover (Net Sales)	3774.34
Total R&D Expenditure as a percentage of Total turnover	0.82%

### 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. 2462.84 millions.

Particulars	(Rs. In Millions)	
	2023-24	2022-23
Foreign Exchange Earnings	2,462.84	2,337.74
Foreign Exchange Outgo	355.21	475.82

Note:- Previous years figures have been regrouped wherever necessary.

#### 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 1**.

#### 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 Company has filed the settlement application with Securities Exchange Board of India (SEBI) for independent director was in category of Promoter Group. The application is still pending as on date of this report and the SEBI has also initiated the adjudication proceeding against the company in the same matter there is no material impact on the Company.

#### 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 31/03/2024 (In Millions)
1	2016-17	Rs. 0.06
2	2017-18	Rs. 0.05
3	2018-19	Rs. 0.04
4	2019-20	Rs. 0.03
5	2020-21	Rs. 0.03
6	2021-22	Rs. 0.04
7	2022-23	Rs. 0.03

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 2016-17 will become due for transfer to Investor Education and Protection Fund (IEPF) in FY 2024-25.

#### 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 2024-25.

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 23<sup>rd</sup> Annual General Meeting as Statutory Auditors till the conclusion of 28<sup>th</sup> 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 28<sup>th</sup> annual general meeting until the conclusion of the 33<sup>rd</sup> 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 FY. 2023-24. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024 is attached and forms part of the Board Report as **Annexure 2**.

#### 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.

The Secretarial Audit Report mentioned a delay in submitting the proceedings of the last Annual General Meeting to BSE Limited, caused by issues with the BSE Listing Centre, as noted in the report. Additionally, the company has received requests from some of the members of the Promoter group seeking reclassification. Applications for this reclassification have been submitted to both BSE Limited and the National Stock Exchange of India Limited and are still pending as of the date of this report.

#### 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 Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company at [www.emmbi.com](http://www.emmbi.com).

#### BOARD MEETINGS

During the year under review, Five (5) 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, 2024 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).

### DISCLOSURE UNDER RULE 8(5)(XII) OF THE COMPANIES (ACCOUNTS) RULES, 2014

There was no instance of one-time settlement with any bank or financial institution.

### COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

### DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

As Company has not done any one-time settlement during the year under review hence no disclosure is required.

### 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  
EMMBI INDUSTRIES LIMITED**

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

Place: Mumbai

Date: 14<sup>th</sup> May, 2024



Annexure - 1

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 29,840 mtpa stands at 78.44%. 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 109 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 70+ countries across 40 products. 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 70+ 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.

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 - 2

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

## For the Financial Year ended 31st March, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**EMMBI INDUSTRIES LIMITED**  
**CIN: L17120DN1994PLC000387**  
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 31<sup>st</sup> March 2024 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 31<sup>st</sup> March, 2024 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 & Sweat Equity) Regulations, 2021; There were no ESOPS issued during the year under review.
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible 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;

I 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.

***Delay in submission of proceedings of the Annual General Meeting held on 12th August, 2023.***

*The Company has delayed in submission of proceedings within 12 hours of conclusion of the of the Annual General Meeting which was held on 12<sup>th</sup> August, 2023 and received notice from BSE dated 06<sup>th</sup> April, 2024 for delay of submission of proceedings of the Annual General Meeting within due time.*

*Further the Company has replied to the notice received by BSE in this regard by the Letter dated 06<sup>th</sup> April, 2024 that the Company had made numerous attempts to upload the said disclosures in the specified path on the BSE Listing Centre, in order to ensure compliance of the requirements of the Regulations, however, due to non-functioning of the BSE Listing Centre, the said disclosure could not be uploaded within the*



specified timelines. and filed the proceedings of the Annual General Meeting. The Company, even after numerous failed attempts, continued to upload the disclosures in the specified tabs on the BSE Listing Centre and the said disclosures were eventually filed on the Stock Exchanges at 01:38 AM IST on 13<sup>th</sup> August, 2023, which resulted in delay of 23 minutes, as the conclusion time of the Annual General Meeting was 01:15 PM IST on 12<sup>th</sup> August, 2023, considering that the disclosure had to be filed within 12 hours from the conclusion time of the event.

**Application by the Company for Reclassification of Promoters Group to Public**

The Company has made an appeal for Promoters Reclassification application with the stock exchanges where the Company’s shares are listed. The same is pending with them.

The SEBI has sent the Show Cause Notice from SEBI bearing ref. no. SEBI/EAD-3/BM/JR/020/1/2023 for violations of Regulation 16(1)(b)(ii), Regulation 31(1)(b) and Regulation 4(1)(e) of LODR Regulations.

Further to the Show cause notice received, the Company has replied that the company is in process of reclassification from Promoter & Promoter Group category to Public Category.

We are informed that the company has preferred an application for settlement with SEBI and is awaiting the final reply from them.

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 31.03.2024.

**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 DHOLAKIA)

**Practicing Company Secretary**

Proprietor  
 FCS 2655 / CP 1798  
 Place: Mumbai  
 Date: 14<sup>th</sup> May, 2024  
 UDIN : F002655F000362377  
 Peer Reviewed Firm No. 2036/2022

Note: This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.



## 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 DHOLAKIA)

#### Practicing Company secretary

Proprietor

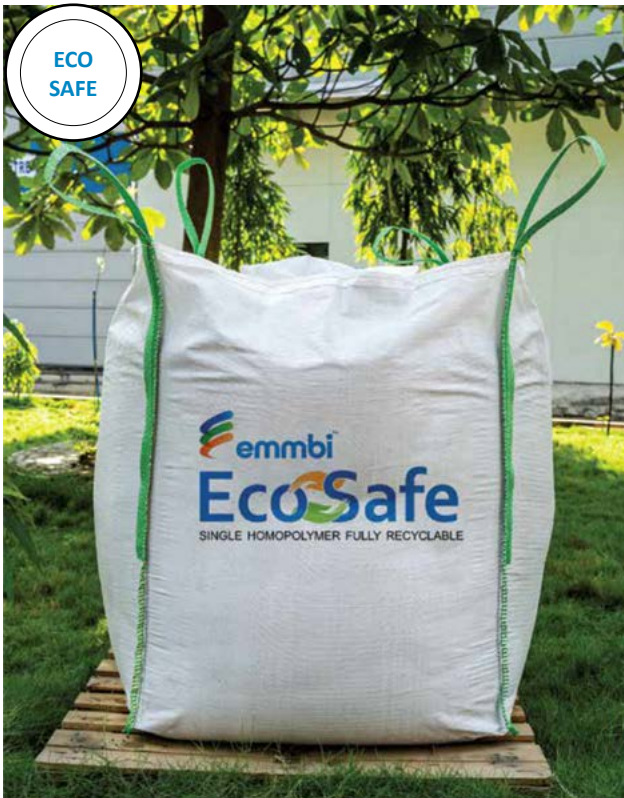
FCS 2655 / CP 1798

Place: Mumbai

Date: 14<sup>th</sup> May, 2024

UDIN : F002655F000362377

Peer Reviewed Firm No. 2036/2022



## Annexure - 3

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

## 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 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 Joshi	Chairman		1
2	Mr. Prashant Lohiya	Member	1	1
3	Mr. Rama Krishnan	Member		1
4	Mrs. Rinku Appalwar	Member		1

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. [www.emmbi.com](http://www.emmbi.com)

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not applicable

	Amount (Rs. in Millions)
(a) Average net profit of the company as per sub-section (5) of section 135.	159.43
(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	3.19
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	0
(d) Amount required to be set-off for the financial year, if any.	2.36
(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	0.83

	Amount (Rs. in Millions)
(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	1.33
(b) Amount spent in Administrative Overheads.	0
(c) Amount spent on Impact Assessment, if applicable.	0
(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	1.33

Total Amount Spent for the Financial Year. (Rs. in Millions)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
1.33	0	0	0	0	0

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (Rs. in Millions)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	3.19
(ii)	Total amount spent for the Financial Year	3.69
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.50
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.50

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount	Date of Transfer	
					(in Rs)		
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes  No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	CSR Registration Number, if applicable		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.:

**Not Applicable**

Place: Mumbai  
Date: 14<sup>th</sup> May, 2024

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

**Venkatesh Joshi**  
Chairman CSR Committee  
DIN: 01234871

# MANAGEMENT DISCUSSION AND ANALYSIS

## Forward Looking Statement

The Report contains forward-looking statements, identified by words like “plans”, “expects”, “will”, “anticipates”, “believes”, “intends”, “projects”, “estimates” and others. 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 realized. 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.

## Global Economic Outlook: Steady Growth Amid Challenges

The encouraging news is that global growth remains steady, having slowed for three consecutive years. Inflation has been reduced to a three-year low, and financial conditions have brightened. In short, the world economy appears to be on a final approach for a “soft landing.”

However, more than four years after the upheavals of the COVID-19 pandemic and subsequent global shocks, it is clear that the global economy—and developing economies in particular—are yet to rediscover a reliable path to prosperity. Global growth is stabilizing at a rate insufficient for progress on key development goals—2.7% a year on average through 2026, well below the 3.1% average in the decade before COVID-19.

Global interest rates are expected to average 4% through 2026, double the average of the last two decades. Progress toward prosperity occurs when governments put in place policies that foster productivity, entrepreneurship, and innovation—and when they do so in a setting of closer international cooperation.

Trade policy uncertainty has reached this century’s highest level, considering years involving major elections—during which countries that collectively account for at least 30% of the GDP went to polls. Trade measures designed to restrain cross-border commercial flows are proliferating at a historic pace. From 2013 through 2023, investment growth in developing economies more than halved, on average, from the pace of the 2000s.

There are, of course, notable bright spots in the global economy. The U.S. economy, in particular, has shown impressive resilience. Growth has remained buoyant in the teeth of the fiercest monetary policy tightening in four decades. U.S. dynamism, in fact, is one reason the global economy enjoys some upside potential over the next two years. India and Indonesia are two additional examples of robust performance. The Indian economy has been buoyed by strong domestic demand, with a surge in investment and robust services activity. It is projected to grow an average of 6.7% per fiscal year from 2024 through 2026—making South Asia the world’s fastest-growing region. Indonesia is expected to benefit from a growing middle class and generally prudent economic policies, expanding by an average of 5.1% over the next two years.

The performance of these and a few other economies makes it clear that high growth can be sustained, even under challenging conditions. Countries can enhance long-term growth by enacting policies that build human capital, boost productivity, improve the efficiency of public spending, and encourage more women to enter the labor force.

Policymakers have cause to celebrate today: a global recession has been avoided despite the steepest rise in global interest rates since the 1980s. However, it is important to remain vigilant: growth rates are still not sufficient for significant progress. Without stronger international cooperation and a concerted push for policies that advance shared prosperity, the world could become stuck in the slow-lane.

*(Source: Global Economic Prospects June 2024 Report on Global Economic Outlook)*

## Transforming the Packaging Industry: Opportunities and Insights

Packaging currently stands as the fifth largest sector in the Indian economy, reflecting its pivotal role in driving industrial growth and innovation. With an annual growth rate of 22-25% the industry has become a preferred hub for packaging solutions, bolstered by advancements in technology and infrastructure.

One of the economic sectors with the fastest growth rates is the packaging business. Nearly 60% of plastics are burned, returning the thermal energy but adding to the CO2 footprint even if CE solutions are being promoted. This increased emission not only has a detrimental impact on climate change, but also reflects poor sustainability indicators that lag behind market trends. In this context, the packaging sector is essential to the effective execution of responsibilities and the fulfillment of evolving consumer demands. To satisfy consumer and industry demands, new packaging methods are being developed. Environmental awareness, changes in consumer lifestyles, and the development of new fields of information are driving these advancements.


Over the past few decades, the packaging industry has significantly expanded the variety of plastic-based packaging systems and designs. Plastics are permeable systems that allow the flow of low molecular weight substances, such as gases and vapors, between the inside and outer atmosphere, in contrast to more conventional packaging materials like glass and metals. Despite this drawback, they remain highly desirable in various packaging industries due to their wide range of manufacturing options, simplicity of handling and processing, low cost, and excellent chemical resistance.


Bulk Packaging is in the domestic and global forefront. Emmbi’s largest verticals, amounting to approximately 70+ of the Company’s operations, are in the sector of bulk packaging, both domestically and internationally.


There has been a perceptible uptick in the past two years due to the government’s emphasis on infrastructure, the manufacturing sector’s recovery, and the emphasis on water conservation products. These factors are the primary drivers of double-digit growth in the medium term.


### Emmbi’s Diverse Business Verticals and Their Capacities

#### Overview

 Domestic Packaging Business  
**3600 Tons per annum**

 Water Conservation  
**6000 tons per annum**

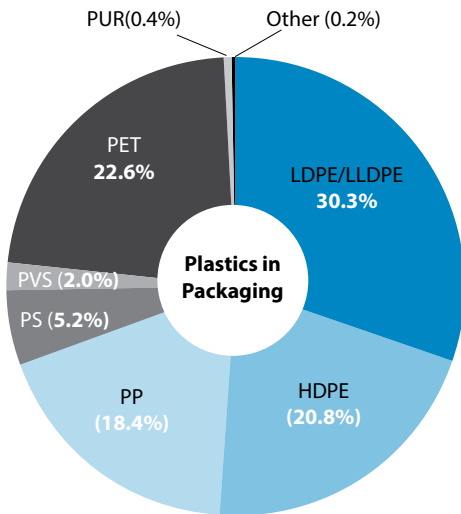
 Agri-Polymer  
**3000 Tons per annum**

 International Packaging Business  
**17240 Tons per annum**

#### 29840 MT per annum – Emmbi’s total capacity

Approximately 99% of the plastics produced today are petroleum-based, and the packaging industry alone consumes over 38% of these plastics. In this review, we propose that renewable polymers can serve as a key milestone for renewable plastics.

In the chart shown below, you can see the contribution of various Polymer Groups—Polypropylene (PP), Low-Density Polyethylene (LDPE), and High-Density Polyethylene (HDPE), which together comprise approximately 70% of the total usage. Emmbi is active in all these polymers, which gives the Company a strong position to advance ahead of most other competing companies in the sector.



**Emmbi is proud to have over 20 individual products in four product sectors that cater to a client base of over 200, spread across 70+ countries**

#### Performance Highlights: FY 2024

- Introduction of the “Reclaim” product range:** Reclaim products can be made from up to 100% recycled material for certain items, but typically consist of around 40% recycled content in most products.

The key financial ratios of the Company are given as below:

Ratios	Numerator	Denominator	Mar-24	Mar-23	Variance %	Reason for variance if more than 25%
Net Capital	Revenue from	Working Capital	7.83	6.03	29.74	Increase in Revenue with simultaneous fall in working capital
Turnover Ratio	Operations (Net)					

- Capacity Utilization and Growth Potential:** Capacity utilization reached 78%<sup>1</sup>, with additional growth potential of around 20%. With certain de-bottlenecking exercises, we can further increase capacity to generate 25% growth headroom.
- Emmbi Innovation Lab’s New Patent:** Emmbi’s R&D arm, Emmbi Innovation Lab, has developed and registered for another remarkable product called “FlexiBox”, specifically designed for the UK waste collection market.
- Avana’s Expansion:** “Avana,” which has already made a mark in a few states, is expanding across India and introducing newer products that have found tremendous acceptance.
- Government Initiatives and Emmbi’s Rural Expansion:** The Government of India’s initiatives to improve farmers’ incomes and Emmbi’s increased focus on pond manufacturing across rural India are driving significant growth.
- Growing Demand for Sustainable Polymer Products:** The increase in the consumption of sustainable polymer products across the globe helps Emmbi maintain its lead in the fast-growing market.
- Increased Usage in B2C and B2B Sectors:** There has been an increase in B2C, and B2B sectors with the growing usage of e-commerce (Avanamart) polypropylene bags, polymer syringes, polymer-lined tanks, polymer mixes in highways, among others.

<sup>1</sup> The capacity mentioned is utilizable capacity, not installed capacity.)

#### Inventory Management Strategy

Emmbi’s strategy of managing business in a non-speculative manner translates into its inventory management policies. We ensure that inventory levels are always matched to the order pipeline. Raw material procurement is synchronized with order booking, preventing adverse impacts on the income statement or capital from fluctuations in crude oil prices and its derivatives. Moreover, the relationship between crude prices and polymer prices is not entirely direct. The floor cost of polymers, irrespective of crude prices, can be pegged around \$1000-1110, considering fixed costs and logistics. Polypropylene, a key component in our products, is a multi-stage derivative, with the actual impact of crude prices constituting only under 15% of the total product cost.

Despite this linkage, we continue to apply effective hedge mechanisms as a policy.

#### Earnings

There was almost 30% growth in the Company’s EPS, which stood at ₹ 05.62.

### Quality & 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 implementing an "Integrated Management System" (IMS), a customized 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.

### People & 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 "Whistleblower Policy," keeping in check with the best practices (detailed in the Corporate Governance section).

### Information Technology

All our plants across the five locations are integrated and they, in-turn, communicate to the Head Offices through various systems.

### For & On Behalf of the Board of Directors

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

We are one of the first to adopt Industry 4.0 standards, which have led to process and operational improvements, resulting in financial savings.

### Research & Development

We are now a full-fledged R&D Development Centre, 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 ~2.50% of revenues towards research and product development. This not only provides us with tangible benefits like tax breaks, excise and VAT benefits, and preferred bidder status for government projects, but also invaluable intangible benefits such as increased visibility in the international arena through government initiatives.

### Cautionary Statement

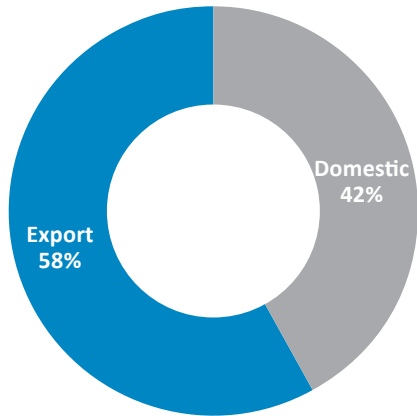
The estimation and expectation made in this Report may differ from actual performance due to extraneous factors such as economic conditions, governmental policies, regulations, and other factors.



## Statement of Income

### Revenue from Operations

The Company recorded revenue of Rs. 4,425 million (Rs. 4,353 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. 2,408 million (Rs. 2,421 million) and Employee Costs at Rs. 183 million (Rs. 169 million). 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. 169 million (Rs. 157 million).

### Profits and Distribution

Emmbi industries reported after-tax profit of Rs. 99 million (Rs. 83 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 0.92x.

### Assets and Deployment

Assets for the year stood at Rs. 3,884 million (Rs. 3,663 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 increased during the year to 29,840 MT per annum.

### Current Assets

Inventories stood at the year-end stood at Rs. 1,105 million (Rs. 1,040 million); the increase on account of price fluctuations and volumes to match the demand.

Receivables stood at Rs. 780 million (Rs. 690 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 109 days (108 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 29,840 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 0.92x, and the current ratio at a healthy 1.30x. 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. 1,701 million (Rs. 1,607 million), whilst overall bank borrowings stood at Rs. 1,564 million (Rs. 1,468 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('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, 1 (One) Director is Non-Executive Non-Independent Director and 2 (Two) 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 <https://emmbi.com/management-profile/>

### 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	Non-Executive Non-Independent 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

\*Mr. Krishnan I. Subramanian had been re-designated from Whole Time Director to Non-Executive Non-Independent Director with effect from 1st July, 2023.

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 31<sup>st</sup> March, 2024 are as follows:**

Name of the Director	Nature of Directorship	Board Meetings during FY 2023-24		Attendance at the AGM held on 12 <sup>th</sup> August, 2023	*No. of Directorship in other Companies (Excluding EIL)	**Chairmanship(s) and Membership(s) of Board Committees in other Companies as on 31 <sup>st</sup> March, 2024 (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	5	5	Yes	3	-	-	-	-
Mrs. Rinku M. Appalwar (DIN-00171976)	Executive Director and CFO	5	5	Yes	3	-	-	-	-
Mr. Krishnan I. Subramanian (DIN-06614842)	Non-Executive Non-Independent Director	5	4	Yes	3	-	-	-	-
Mr. Rama A. Krishnan (DIN-00546256)	Non-Executive Independent Director	5	5	Yes	1	-	-	-	-
Mr. Prashant K. Lohiya (DIN-02990858)	Non-Executive Independent Director	5	5	Yes	2	-	-	-	-
Dr. Venkatesh G. Joshi (DIN-01234871)	Non-Executive Independent Director	5	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.

- 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 2023-24, 5 Board Meetings were held i.e. on 30<sup>th</sup> May, 2023, 12<sup>th</sup> August, 2023, 23<sup>rd</sup> October, 2023, 10<sup>th</sup> November, 2023 and 14<sup>th</sup> February, 2024, 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 the 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 has issued 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 30<sup>th</sup> May, 2023. 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

Re-Appointment of Mr. Makrand M. Appalwar as the Chairman and Managing Director of the Company

The Board of Directors of the Company, at its meeting held on 14<sup>th</sup> May, 2024 has, subject to the approval of members, re-appointed Mr. Makrand M. Appalwar (DIN 00171950) as the Chairman and Managing Director of the Company for a period of five years with effect from April 1, 2025 on the terms and conditions at an existing remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of Mr. Makrand M. Appalwar (DIN 00171950) as the Chairman and Managing Director of the Company, in terms of the applicable provisions of the Act.

Re-Appointment of Mrs. Rinku M. Appalwar as the CFO & Executive Director-Finance Director of the Company

The Board of Directors of the Company, at its meeting held on 14<sup>th</sup> May, 2024 has, subject to the approval of members, re-appointed Mrs. Rinku M. Appalwar (DIN 00171976) as the CFO &

Executive Director-Finance Director of the Company for a period of five years with effect from April 1, 2025 on the terms and conditions at an existing remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of Mrs. Rinku M. Appalwar (DIN 00171976) as the CFO & Executive Director-Finance of the Company, in terms of the applicable provisions of the Act.

#### vii. RETIREMENT BY ROTATION:

In accordance with the provisions of the Companies Act, 2013, Mr. Makrand Appalwar (DIN 00171950), Chairman and Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers himself 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
- 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 2023-24:

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.

Mrs. Bhavi Gandhi, Company Secretary and Compliance Officer acts as the Secretary to the Audit Committee.

The representatives of the Statutory Auditors, Internal Auditors of the Company and special invitees, if any, are also invited to the Audit Committee meetings for deliberation on the financial statements and internal audit findings/observations.

During FY 2023-24, 4 Audit Committee Meetings were held i.e. on 30<sup>th</sup> May, 2023, 12<sup>th</sup> August, 2023, 10<sup>th</sup> November, 2023 and 14<sup>th</sup> February, 2024, respectively, and the gap between two consecutive meetings did not exceed one hundred and twenty days.

#### 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;

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
Mr. Prashant Lohiya	Chairman, Non-Executive Independent Director	4 of 4
Dr. Venkatesh Joshi	Member, Non-Executive Independent Director	4 of 4
Mr. Rama Krishnan	Member, Non-Executive Independent Director	4 of 4
Mrs. Rinku 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 2023-24:**

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 and Independent Directors. The Chairperson of the NRC is an Independent Director.

Mrs. Bhavi Gandhi, Company Secretary and Compliance Officer acts as the Secretary to the NRC.

During FY 2023-24, 2 (Two) meetings of the NRC were held on 12<sup>th</sup> August, 2023 and 23<sup>rd</sup> October, 2023. The composition of the Committee and the details of attendance of the Members at the NRC Meeting is given below:

Name of the Members of NRC	Designation	No. of meetings attended during the financial year 2023-24
Mr. Prashant Lohiya	Chairman, Non-Executive Independent Director	2 of 2
Dr. Venkatesh Joshi	Member, Non-Executive Independent Director	1 of 2
Mr. Rama Krishnan	Member, Non-Executive Independent Director	2 of 2

**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 2023-24:

##### 1. Non-Executive Directors and Independent Directors:

The Independent Director Dr. Venkatesh Joshi and Mr. Prashant Lohiya have been re-appointed for fixed tenure of five years, whereas Mr. Rama 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.

Apart from the Non-Executive Independent Directors, Mr. Krishnan Iyer Subramanian (DIN 06614842), vide his letter dated 1<sup>st</sup> July, 2023 had tendered his resignation from the position of the 'Whole Time Director' of the Company with effect from 1<sup>st</sup> July, 2023. However, he was re-designated as the 'Non-Executive Non-Independent Director' on the Board of the Company. Mr. Krishnan Iyer Subramanian in his letter had also confirmed that there are no other material reasons for his resignation other than those mentioned in the resignation letter.

The above intimation had been provided to the Stock Exchanges on 1<sup>st</sup> July, 2023 under Regulation 30 of the Listing Regulations.

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 above Directors during financial year 2023-24 is stated below:

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 Lohiya	Rs. 1,45,000/-	6250 Equity Shares
Dr. Venkatesh Joshi	Rs. 1,25,500/-	0
Mr. Rama Krishnan	Rs. 1,45,000/-	0
Mr. Krishnan Subramanian	Rs. 36,000/-	34150 Equity Shares

##### 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 2023-24 are as under:

Name of the Director	Position	Remuneration (*)	Service Contract	Notice Period
Mr. Makrand M. Appalwar	Chairman and Managing Director	Rs. 78,39,600 per annum	Reappointed for 5 years w.e.f. 30 <sup>th</sup> March, 2020	6 months
Mrs. Rinku M. Appalwar	Executive Director & CFO	Rs. 72,39,600 per annum	Reappointed for 5 years w.e.f. 30 <sup>th</sup> March, 2020	6 months
Mr. Krishnan I. Subramanian	Non-Executive Non-Independent Director	Rs. 3,75,000 per annum		

(\*) Break up of remuneration paid/payable to Mr. Makrand M. Appalwar, Mrs. Rinku M. Appalwar and Mr. Krishnan I. Subramanian for FY 2023-24 is as under:

Components	Mr. Makrand M. Appalwar	Mrs. Rinku M. Appalwar	Mr. Krishnan I. Subramanian
Salaries, Allowances and Perquisites (#)	Rs. 78,39,600	Rs. 72,39,600	Rs. 3,75,000
Contribution to Provident and other funds	Nil	Nil	Nil
Performance Bonus	Nil	Nil	Nil
Stock Option	Nil	Nil	Nil
Pension	Nil	Nil	Nil
Total	Rs. 78,39,600	Rs. 72,39,600	Rs. 3,75,000

(#) 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 2023-24:**

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 Directors.

The Chairperson of the SRC is an Independent Director and attends the Annual General Meeting to answer the queries, if any, raised by the Shareholders/Security holders.

Mrs. Bhavi Gandhi, Company Secretary and Compliance Officer acts as the Secretary to the SRC.

During FY 2023-24, 4 (Four) meetings of the SRC were held on 30<sup>th</sup> May, 2023, 12<sup>th</sup> August, 2023, 10<sup>th</sup> November, 2023 and 14<sup>th</sup> February, 2024. 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
Mr. Prashant Lohiya	Chairman, Non-Executive Independent Director	4 of 4
Mrs. Rinku Appalwar	Member, Executive Director and CFO	4 of 4
Dr. Venkatesh Joshi	Member, Non-Executive Independent Director	4 of 4
Mr. Rama Krishnan	Member, Non-Executive Independent Director	4 of 4

**Other details:**

The details of investor complaints received and redressed during the financial year 2023-24 are as follows:

No. of complaints pending as on 1st April, 2023	No. of complaints received during the financial year	No. of complaints attended during the financial year	No. of complaints pending as on 31st March, 2024
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 31<sup>st</sup> March, 2024, the Committee consisted of 4 (Four) Directors, 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.

Mrs. Bhavi Gandhi, Company Secretary and Compliance Officer acts as the Secretary to the CSR Committee.

During the financial year 2023-24, 1 (One) meeting of the CSR Committee was held on 14<sup>th</sup> February, 2024.



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 SRC	Designation	No. of meetings attended during the financial year
Dr. Venkatesh Joshi	Chairman, Non-Executive Independent Director	1 of 1
Mr. Prashant Lohiya	Member, Non-Executive Independent Director	1 of 1
Mr. Rama Krishnan	Member, Non-Executive Independent Director	1 of 1
Mrs. Rinku 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 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	Financial Year ended	Date and Time	Location	Whether any special resolution was passed
29 <sup>th</sup>	31 <sup>st</sup> March, 2023	12 <sup>th</sup> August, 2023 at 11.30 a.m.	Meeting was held through Video Conferencing / Other Audio Visual Means	There were no Special Resolutions passed in the said meeting
28 <sup>th</sup>	31 <sup>st</sup> March, 2022	13 <sup>th</sup> September, 2022 at 11.30 a.m.	Meeting was held through Video Conferencing / Other Audio Visual Means	Appointment of Mr. Rama A. Krishnan as an 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.
27 <sup>th</sup>	31 <sup>st</sup> March, 2021	28 <sup>th</sup> 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.

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

During FY 2023-24, 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 in the ensuing financial year, as on date.

**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. 35 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 2023-24, there was no audit qualifications in the Company's financial statements. The Statutory Auditors have issued the audit report for the financial year ended 31<sup>st</sup> March, 2024 with unmodified opinion.

**e) Material Subsidiaries:**

The Company does not have any material subsidiary as on 31<sup>st</sup> March, 2024.

During the year, the Company have incorporated Zastian PTE. Ltd., in Singapore, which is a Wholly Owned Subsidiary Company of the Company.

Further, the Company had duly intimated about the said incorporation of the Wholly Owned Subsidiary Company to the Stock Exchanges.

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 [www.emmbi.com](http://www.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 2023-24, 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 2023-24.

**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 2023-24 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.

**v) Other disclosure**

The Company has filed the settlement application with Securities Exchange Board of India (SEBI) for independent director was in category of Promoter Group. The application is still pending as on date of this report and the SEBI has also initiated the adjudication proceeding against the company in the same matter there is no material impact on the Company.

Mr. Kaushal Patvi ceased to function as the Company Secretary and Compliance Officer with effect from 31<sup>st</sup> July, 2023 who was part of senior management.

**6. MEANS OF COMMUNICATION:****Financial Results:**

The financial results of the Company are generally published in 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	Friday, 20 <sup>th</sup> September, 2024 at 11:30 a.m. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)
Financial Year	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024
Date of Book Closure/Record Date	Saturday, 14 <sup>th</sup> September, 2024 to Friday, 20 <sup>th</sup> September, 2024 (both days inclusive).
Record date for determining the entitlements of shareholders to receive dividend for FY 2023-24	Friday, 13 <sup>th</sup> September, 2024
Dividend Payment Date	On or before 19 <sup>th</sup> October, 2024
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 2024-25, 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. A 16 & 17, Part B Cross Lane MIDC, Marol, Andheri (East), Mumbai – 400 093 Tel No.: +91 22 6671 2001- 06 Fax No.: +91 22 6671 2011 Email: <a href="mailto:investorsqry@datamaticsbpm.com">investorsqry@datamaticsbpm.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. 1<sup>st</sup> 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 1<sup>st</sup> 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.

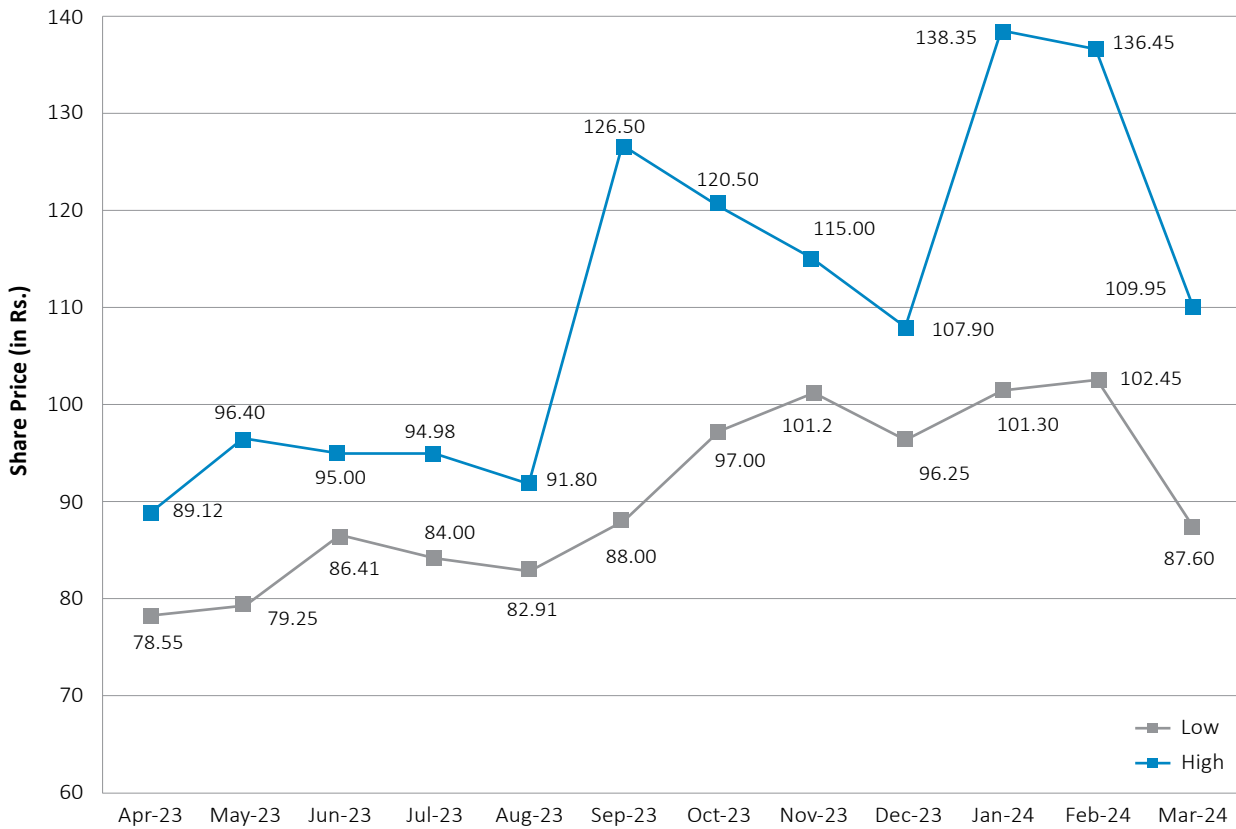
### ii. Market Price Data:

The Market Price Data (High, Low and Volumes) during each month of the Financial Year 2023-24 is as under:

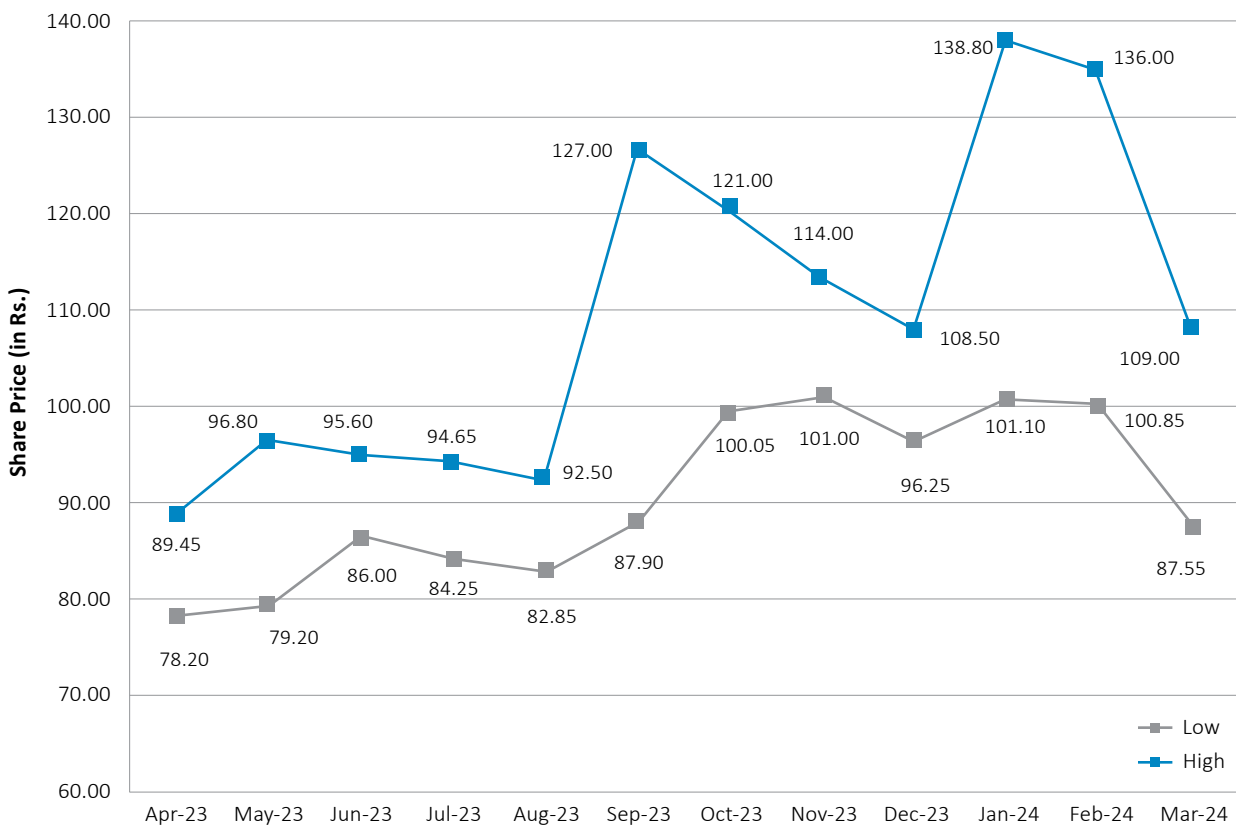
Month	BSE Limited (in Rs.)		National Stock Exchange of India Limited (in Rs.)	
	High	Low	High	Low
April, 2023	89.12	78.55	89.45	78.20
May, 2023	96.40	79.25	96.80	79.20
June, 2023	95.00	86.41	95.60	86.00
July, 2023	94.98	84.00	94.65	84.25
August, 2023	91.80	82.91	92.50	82.85
September, 2023	126.50	88.00	127.00	87.90
October, 2023	120.50	97.00	121.00	100.05
November, 2023	115.00	101.20	114.00	101.00
December, 2023	107.90	96.25	108.50	96.25
January, 2024	138.35	101.30	138.80	101.10
February, 2024	136.45	102.45	136.00	100.85
March, 2024	109.95	87.60	109.00	87.55

iii. Performance in comparison to Indices:

**Emmbi Share Price High/low on BSE for the period April, 2023 to March, 2024**



**Emmbi Share Price High/low on NSE for the period April, 2023 to March, 2024**



**iv. Distribution of Shareholding:**

The distribution of Shareholding as on 31<sup>st</sup> March, 2024 is as under:

No. of Equity Shares held	Shareholders		Shares	
	Number	% of Total Shareholders	Number	% of total Shares
1-500	12437	86.57	1423806	8.05
501-1000	944	6.57	759396	4.29
1001-2000	514	3.58	781721	4.42
2001-3000	166	1.16	425406	2.40
3001-4000	76	0.53	270355	1.53
4001-5000	73	0.51	343591	1.94
5001-10000	69	0.48	500309	2.83
10001-50000	65	0.45	1242914	7.03
50001 and above	22	0.15	11942752	67.51
<b>TOTAL</b>	<b>14366</b>	<b>100.00</b>	<b>17690250</b>	<b>100.00</b>

**v. Categories of Shareholding:**

The Categories of Shareholding as on 31<sup>st</sup> March, 2024 is as under:

Category	No. of Shares Held	% of Shareholding
<b>A. Promoter's Holding</b>		
1. Promoters		
- Indian Promoters	1,04,77,653	59.23
- Foreign Promoters	-	-
2. Person Acting in Concern	-	-
<b>Sub – Total</b>	<b>1,04,77,653</b>	<b>59.23</b>
<b>B. Non – Promoter's Holding</b>		
3. Institutional Investors		
- Mutual Funds & UTI	-	-
- Banks, Financial Institutions, Insurance Companies, Etc.	-	-
- (Central/ State Govt. Inst., Non-Govt. Inst.)	-	-
- FIIS	28,265	0.16
<b>Sub – Total</b>	<b>28,265</b>	<b>0.16</b>
4. Others		
- Corporate Bodies	6,31,018	3.57
- Indian Public	59,64,792	33.72
- NRIs /OCBs/AIF	5,60,894	3.17
- Any other ( IEPF)	27,628	0.15
<b>Sub – Total</b>	<b>71,84,332</b>	<b>40.61</b>
<b>Grand – Total</b>	<b>1,76,90,250</b>	<b>100.00</b>

**vi. Dematerialization of Shares:**

Equity shares of the Company representing 100 per cent are dematerialized as on 31<sup>st</sup> March, 2024.

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 31<sup>st</sup> March, 2024 is as under:

Description	Cases	Shares	% of Shares
Physical	0	0	0.00
CDSL	9744	4016230	22.70
NSDL	4622	13674020	77.30
<b>TOTAL</b>	<b>14,366</b>	<b>1,76,90,250</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 31<sup>st</sup> March, 2024, 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/2018/0000000141 dated November 15, 2018.

**ix. Plant Locations:**

**Manufacturing Facility No. 1 (RAMPRIYA/JANKI)**

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. 2 (VAIDEHI/LASAKI)**

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. 3 (VASUNDHARA)**

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. 4 (SITA)**

Survey No. 191/2/4, Meghwad Road, Masat Village, U.T. of Dadra & Nagar Haveli and Daman & Diu, Silvassa –396 230.

**Manufacturing Facility No. 5 (VAMA)**

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

**Manufacturing Facility No. 6 (BHOOIJA)**

PART- 2, SURVEY NO 59/9, MASAT VILLAGE, KHANVEL, SILVASSA ROAD, SILVASSA, Dadra And Nagar Haveli, Dadra and Nagar Haveli and Daman and Diu, 396230

**Manufacturing Facility No. 7 (SIYA)**

Survey No.2/2/2/, Madhuban Dam Road, Karad, Dadra And Nagar Haveli, Dadra and Naga Haveli and Daman and Diu, 396230

**Manufacturing Facility No. 8 (PRITHVI)**

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

**Manufacturing Facility No. 9 (RAMA)**

SURVEY NO 99/2, PLOT NO 3, Madhuban Road, NEAR RAYAN PLAST, Alok City, Dadra And Nagar Haveli, 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](mailto:investor.grievances@emmbi.com)

**For and on behalf of the Board**

**EMMBI INDUSTRIES LIMITED**

**Makrand Appalwar**

**(DIN: 00171950)**

**Chairman & Managing Director**

Place: Mumbai

Date: 14<sup>th</sup> May, 2024

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>



Sr. No.	Particulars	Regulation	Compliance Status Yes/ No/ NA	Key Compliance Observed
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</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> <li>Details of establishment of Vigil Mechanism / Whistle-blower policy</li> <li>Criteria of making payments to Non-Executive Directors</li> <li>Policy on dealing with related party transactions</li> <li>Details of familiarisation programmes imparted to Independent Directors</li> </ul>



## CORPORATE GOVERNANCE CERTIFICATE

To,

The Members of

**EMMBI INDUSTRIES LIMITED**

**CIN: L17120DN1994PLC000387**

### 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 31<sup>st</sup> March, 2024, 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 31<sup>st</sup> March, 2024 except in the case of the following.

#### **Delay in in submission of proceedings of the Annual General Meeting held on 12th August, 2023.**

*The Company has delayed in submission of proceedings within 12 hours of conclusion of the of the Annual General Meeting which was held on 12<sup>th</sup> August, 2023 and received notice from BSE dated 06<sup>th</sup> April, 2024 for delay of submission of proceedings of the Annual General Meeting within due time.*

*Further the Company has replied to the notice received by BSE in this regard by the Letter dated 06<sup>th</sup> April, 2024 that the Company had made numerous attempts to upload the said disclosures in the specified path on the BSE Listing Centre, in order to ensure compliance of the requirements of the Regulations, however, due to non-functioning of the BSE Listing Centre, the said disclosure could not be uploaded within the specified timelines. and filed the proceedings of the Annual General Meeting. The Company, even after numerous failed attempts, continued to upload the disclosures in the specified tabs on the BSE Listing Centre and the said disclosures were eventually filed on the Stock Exchanges at 01:38 AM IST on 13<sup>th</sup> August, 2023, which resulted in delay of 23 minutes, as the conclusion time of the Annual General Meeting was 01:15 PM IST on 12<sup>th</sup> August, 2023, considering that the disclosure had to be filed within 12 hours from the conclusion time of the event.*

#### **Application by the Company for Reclassification of Promoters Group to Public**

*The Company has made an appeal for Promoters Reclassification application with the stock exchanges where the Company's shares are listed. The same is pending with them.*

*The SEBI has sent the Show Cause Notice from SEBI bearing ref. no. SEBI/EAD 3/BM/JR/020/1/2023 for violations of Regulation 16(1)(b) (ii), Regulation 31(1)(b) and Regulation 4(1)(e) of LODR Regulations.*

*Further to the Show cause notice received, the Company has replied that the company is in process of reclassification from Promoter & Promoter Group category to Public Category*

*We are informed that the company has preferred an application for settlement with SEBI and is awaiting the final reply from them.*

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)

**Practicing Company secretary**

Proprietor

Membership No. 2655

C P No.: 1798

Place: Mumbai

Date: 14<sup>th</sup> May, 2024

UDIN: F002655F000362267

Peer Reviewed Firm No. 2036/2022

LENO  
BAG



## COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### MD/CFO Certificate

To,  
**The Board of Directors,**  
**Emmbi Industries Limited**

We, Makrand Appalwar, Managing Director and Mrs. Rinku 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 31<sup>st</sup> March, 2024 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. The Auditors and the Audit committee have been informed that:
- 1) There have been no significant changes in internal control over financial reporting during the year;
  - 2) There have been 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) 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: 14<sup>th</sup> May, 2024**

## DECLARATION REGARDING CODE OF CONDUCT

(Pursuant to Regulation 34(3) read With Schedule V of Listing Regulations)

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, 2024.

**For Emmbi Industries Limited**

Place: Mumbai

Date: 14<sup>th</sup> May, 2024

**Makrand 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, U. T. of D & N H, Silvassa 396230 (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](http://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 31<sup>st</sup> March, 2024 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 Moreshwar Appalwar	00171950	29/11/1994
2.	Mrs. Rinku Makrand Appalwar	00171976	29/11/1994
3.	Mr. Rama Krishnan	00546256	31/03/2018
4.	Dr. Vyanketesh Ganpatrao Joshi	01234871	11/12/2010
5.	Mr. Prashant Kailashchandra Lohiya	02990858	31/05/2010
6.	Mr. Subramanian 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. My 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)

**Practicing Company secretary**

Proprietor

FCS 2655 / CP 1798

Place: Mumbai

Date: 14<sup>th</sup> May 2024

UDIN: F002655F000362190

Peer Reviewed Firm No. 2036/2022

# 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, 2024, 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 then ended, and notes to the standalone financial statements, including material 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, 2024, 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, 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 there on, 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	Auditor's Response
<p>Revenue Recognition</p> <p>-The Company recognises revenue from sale of products when performance obligations are fulfilled at the time of dispatch.</p> <p>We identified the Company's assessment of the timing of fulfilment of its performance obligation towards the customers at point of time of dispatch to goods as a key audit matter since application of revenue recognition accounting standard (Ind AS 115, Revenue from Contracts with customers) is complex and involves a number of key judgments and estimates in mainly identifying performance obligations and related transaction price.</p> <p>(See Note 3.4 &amp; Note 26 to the standalone financial statements)</p>	<p>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:</p> <ul style="list-style-type: none"> <li>- We obtained an understanding of the revenue recognition processes, systems and controls implemented by the Company for recording revenue. and tested the Company's controls around the timely and accurate recording of sales transactions;</li> <li>- On selected specific samples of contracts, we tested that the revenue recognized is in accordance with the revenue recognition accounting standard including</li> <li>- Evaluated the identification of performance obligations and the ascribed transaction price; and</li> <li>- Verified the underlying sales contracts and other related documents that evidence the dispatch and shipment of goods to the customers.</li> </ul>

#### 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, the management and the Board of Directors are 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 the management and the Board of Directors 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 the management and the Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors' 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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.
- vi. Based on our examination, which includes test checks, the company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.
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: 24043703BKAYNM8157

Place: Mumbai  
Date: 14.05.2024



## ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(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 31<sup>st</sup> March, 2024 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, to the best of our information and according to the explanations given to us, 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 31<sup>st</sup> March 2024, 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.

R S. Daliya  
Partner

Membership No.: 043703  
UDIN: 24043703BKAYNM8157

Place: Mumbai

Date: 14.05.2024



## ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 of the Report on Other Legal and Regulatory Requirements in our report of even date)

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the company's property, plant and equipment, right-of-use assets and intangible assets:
  - (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) According to the information and explanations given to us and records examined by us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties
  - (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 explanations 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 31<sup>st</sup> March, 2024 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 31<sup>st</sup> March, 2024.
  - (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 explanations 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 explanations 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 explanations 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 explanations 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 explanations 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 financial year and not in the immediately preceding financial 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 management 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 provided by the management, reporting under the clause 3(xxii) is not applicable to the Company

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

R S. Daliya  
 Partner

Membership No.: 043703  
 UDIN: 24043703BKAYNM8157

Place: Mumbai  
 Date: 14.05.2024

# STANDALONE BALANCE SHEET

As at 31st March, 2024

PARTICULARS	NOTES	AS AT	AS AT
		31 <sup>ST</sup> MARCH, 2024 (RUPEES IN MILLIONS)	31 <sup>ST</sup> MARCH, 2023 (RUPEES IN MILLIONS)
<b>A ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant & Equipment	5	1,617.83	1,468.58
(b) Capital Work In Progress	5	-	46.20
(c) Intangible Assets	5	145.24	149.39
(d) Financial Assets		-	-
a) Investments	6	0.13	0.13
b) Loans		-	-
c) Other Financial Assets	7	17.87	15.30
Deferred Tax Asset- MAT Credit Entitlement		-	-
Income Tax Asset	8	34.91	73.56
Other Non-Current Assets	9	0.97	1.41
<b>Sub Total - Non Current Assets</b>		<b>1,816.94</b>	<b>1,754.55</b>
<b>2. Current Assets</b>			
Inventories	10	1,105.05	1,039.80
Financial Assets		-	-
(a) Trade Receivables	11	780.22	689.78
(b) Cash & Cash Equivalent	12	11.45	13.15
(c) Bank balances other than b) above	13	0.28	2.80
Other Current Assets	14	170.10	162.92
<b>Sub Total - Current Assets</b>		<b>2,067.09</b>	<b>1,908.45</b>
<b>TOTAL ASSETS</b>		<b>3,884.03</b>	<b>3,663.00</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	176.90	176.90
(b) Other Equity	16	1,524.35	1,429.94
<b>Sub Total - Share Holders' Fund</b>		<b>1,701.25</b>	<b>1,606.84</b>
<b>2. Non Current Liabilities</b>			
Financial Liabilities		-	-
(a) Borrowings	17	424.49	544.14
Other Non Current Liabilities		-	-
Employee Benefit Provisions	18	16.73	16.13
Deferred Tax Liabilities	19	117.16	128.55
Liabilities for Income Tax	20	39.60	74.06
<b>Sub Total - Non Current Liabilities</b>		<b>597.97</b>	<b>762.89</b>
<b>3. Current Liabilities</b>			
Financial Liabilities		-	-
(a) Borrowings	21	1,139.37	924.32
(b) Trade Payables		-	-
(i) Dues to Micro Enterprises and Small Enterprises (MSME)	22	-	-
(ii) Payables other than MSME	22	425.90	346.90
(c) Other Financial Liabilities	23	19.54	22.05
Provisions		-	-
<b>Sub Total - Current Liabilities</b>		<b>1,584.81</b>	<b>1,293.28</b>
<b>TOTAL LIABILITIES</b>		<b>3,884.03</b>	<b>3,663.00</b>
Significant Accounting Policies and Notes on Financial Statements	1-42		

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 : 14<sup>th</sup> May, 2024

**Bhavi Gandhi**

Company Secretary

**For and On behalf of the Board.**

**For EMMBI INDUSTRIES LIMITED**

**Makrand Appalwar**

(Managing Director)

DIN : 00171950

**Rinku Appalwar**

(CFO & Director)

DIN : 00171976

# STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2024

PARTICULARS	NOTES	FOR THE YEAR ENDED 31 <sup>ST</sup> MARCH, 2024 (RUPEES IN MILLIONS)	FOR THE YEAR ENDED 31 <sup>ST</sup> MARCH, 2023 (RUPEES IN MILLIONS)
<b>INCOME</b>			
Revenue from Operations	25	4,425.43	4,353.25
Less : GST recovered		651.10	642.43
Revenue from Operations (Net)		3,774.34	3,710.83
Other Incomes	26	1.62	1.22
<b>Total Income (I)</b>		<b>3,775.96</b>	<b>3,712.05</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	27	2,408.26	2,420.51
Changes in Inventories of Finished Goods and Stock-in-Process	28	(12.15)	(64.85)
Employee Benefits Expenses	29	183.04	169.32
Finance Costs	30	168.97	157.01
Depreciation and Amortization Expenses	31	107.89	98.97
Other Expenses	32	821.92	811.22
<b>Total Expenses (II)</b>		<b>3,677.94</b>	<b>3,592.19</b>
<b>Profit before Tax</b>		<b>98.02</b>	<b>119.86</b>
<b>Tax Expenses</b>			
(1) Current Tax		11.58	24.05
(2) Tax for earlier years		(1.63)	0.30
(3) Deferred Tax Liability		(11.40)	12.86
<b>Profit for the Period</b>		<b>99.47</b>	<b>82.66</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss		-	-
1. Remeasurement of Defined Benefit Plans		1.63	0.80
2. Income Tax		-	-
<b>Total</b>		<b>1.63</b>	<b>0.80</b>
<b>Total Comprehensive Income</b>		<b>101.10</b>	<b>83.46</b>
<b>Earning Per Equity Share</b>			
(1) Basic (of ` 10/- each)	33	5.62	4.67
(2) Diluted (of ` 10/- each)	33	5.62	4.67

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 : 14<sup>th</sup> May, 2024

**Bhavi Gandhi**  
 Company Secretary

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

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

**Rinku Appalwar**  
 (CFO & Director)  
 DIN : 00171976

# AUDITED STANDALONE CASH FLOW STATEMENT

For the year ended 31st March, 2024

PARTICULARS	YEAR ENDED 31 <sup>ST</sup> MARCH, 2024		YEAR ENDED 31 <sup>ST</sup> MARCH, 2023	
	RUPEES IN MILLIONS	RUPEES IN MILLIONS	RUPEES IN MILLIONS	RUPEES IN MILLIONS
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>	-	-	-	-
<b>Net Profit Before Tax</b>	-	<b>98.02</b>	-	<b>119.86</b>
Depreciation & Amortisation	107.89	-	98.97	-
Finance Cost	168.97	-	157.01	-
Sundry Balances Written off	0.02	-	-	-
Provision For Gratuity	2.22	-	2.95	-
Interest Received	(1.60)	-	(0.84)	-
Dividend Received	(0.00)	-	(0.01)	-
Rent received	-	-	(0.37)	-
Interest on Income Tax	-	-	0.78	-
(Profit)/ Loss on Sale of Property, Plant & Equipment	0.29	-	0.20	-
	-	-	-	-
	-	<b>277.80</b>	-	<b>258.69</b>
<b>Operating Profit Before Working Capital Changes</b>	-	<b>375.82</b>	-	<b>378.55</b>
Adjustments for Working Capital Changes :	-	-	-	-
Trade Payables and Other Current Liabilities	69.31	-	28.57	-
Inventories	(65.25)	-	(62.85)	-
Trade Receivables	(91.85)	-	69.57	-
	-	(87.79)	-	35.29
<b>CASH FLOW FROM OPERATIONS</b>	-	<b>288.03</b>	-	<b>413.84</b>
Taxes Paid (Net)	-	(5.75)	-	(29.16)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	-	<b>282.28</b>	-	<b>384.68</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-	-	-
Purchase of Property, Plant & Equipment	(207.37)	-	(198.78)	-
Additions to CWIP	-	-	(46.20)	-
Disinvestment in LLP	-	-	0.10	-
Sale Of Property, Plant & Equipment	0.29	-	0.85	-
Movement in Loans and Advances	(2.61)	-	3.81	-
(Investment)/ Redemption of Term Deposits	2.99	-	(2.99)	-
Interest Received	1.60	-	0.84	-
Dividend Received	0.00	-	0.01	-
Rent received	-	-	0.37	-
<b>NET CASH (USED IN) INVESTING ACTIVITIES (B)</b>	-	<b>(205.11)</b>	-	<b>(241.98)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :-</b>	-	-	-	-
Proceeds / (Repayment) from Long Term Borrowings	(119.65)	-	43.26	-
Increase/(Decrease) in Working Capital Borrowings	215.05	-	(15.77)	-
(Loan)/ Repayment to Subsidiary & LLP	-	-	1.03	-
Interest paid on Loan	(168.97)	-	(157.01)	-
Dividend Paid (Including TDS)	(5.31)	-	(10.61)	-
<b>NET CASH FLOW USED IN FINANCING ACTIVITIES(C)</b>	-	<b>(78.88)</b>	-	<b>(139.11)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	-	<b>(1.71)</b>	-	<b>3.59</b>
Cash & Cash Equivalent at the beginning of the year.	-	13.15	-	9.56
Cash & Cash Equivalent at the end of the year.	-	11.45	-	13.15

- 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 : 14<sup>th</sup> May, 2024

**Bhavi Gandhi**

Company Secretary

**For and On behalf of the Board.**

**For EMMBI INDUSTRIES LIMITED**

**Makrand Appalwar**

(Managing Director)

DIN : 00171950

**Rinku Appalwar**

(CFO & Director)

DIN : 00171976

# STATEMENT OF CHANGES IN EQUITY

For the year ended 31<sup>st</sup> March, 2024

## A. SHARE CAPITAL

PARTICULARS	NOTES	NO.OF SHARES	RS. IN INR MILLIONS
Equity shares of Rs. 10 each issued, subscribed and fully paid:			
Balance as on March 31, 2023	15	17.69	176.90
Balance as on March 31, 2024	15	17.69	176.90

## B. OTHER EQUITY

PARTICULARS	RS. IN INR MILLIONS		
	SECURITIES PREMIUM ACCOUNT	RETAINED EARNINGS	TOTAL
<b>Balance on April 1, 2022</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
Add/Less : Other Adjustments	-	-	-
<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>
Profits for the year 2023-24	-	99.47	99.47
Dividend paid for FY 2022-23	-	(4.88)	(4.88)
Tax Deducted at Source on above	-	(0.43)	(0.43)
Other Comprehensive Income / (Loss) for the year	-	1.63	1.63
Add/Less : Other Adjustments	-	(1.38)	(1.38)
<b>Balance at the end of the reporting period March 31, 2024 as per Ind AS</b>	<b>272.65</b>	<b>1,251.70</b>	<b>1,524.35</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 : 14<sup>th</sup> May, 2024

**Bhavi Gandhi**  
 Company Secretary

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

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

**Rinku Appalwar**  
 (CFO & Director)  
 DIN : 00171976



# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## 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 14<sup>th</sup> 2024.

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, 2024 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 MATERIAL 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 dyes 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 and loss when the item is derecognized.

# NOTES ON FINANCIAL STATEMENTS

## For the year ended 31<sup>st</sup> March 2024

- 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 asset 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. 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. The Company discloses amounts including Goods and Services Tax collected on behalf of the Government for better and more transparent disclosures. However, Revenue from Operations stated in the Statement of Profit and Loss is net of GST collected from the customer.

#### Sale of goods

- a. Inland sales have been accounted for at the time of dispatch of goods from the factory as the sales are on FOB basis.
- b. Export sales have been accounted for at the time of dispatch of goods from the factory as the sales are on FOB basis.

### 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.

#### 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.

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## 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.

Provisions of Section 115BAA of the Income tax Act, 1961 gives benefit of a reduced corporate tax rate for domestic companies and states that the domestic companies have the option to pay tax a rate of 25.168%. During the current year FY 2023-24, the Company has adopted and shifted to the new tax regime. The impact of this change would lead to reduction in the direct tax outflow of the Company. In the current financial year, owing to the adoption of the new tax regime, the existing MAT credit is derecognized in accordance with the tax laws. The amount of MAT credit derecognized is not material.

### 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.

# NOTES ON FINANCIAL STATEMENTS

## For the year ended 31<sup>st</sup> March 2024

- 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 require 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 of 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 (presented under property, plant and equipment in the Balance Sheet) 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.

## NOTES ON FINANCIAL STATEMENTS

### For the year ended 31<sup>st</sup> March 2024

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 standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## Note 5 : PROPERTY, PLANT & EQUIPMENT (PPE)

SR. NO.	PARTICULARS	GROSS BLOCK										DEPRECIATION / AMORTIZATION				NET BLOCK						
		As at 01-04-2023		Additions		Transfers		Adjustments / Disposal		As at 31-03-2024		As at 01-04-2023		For the Year		Adjustments / Disposal		As at 31-03-2024		As at 31-03-2023		
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
5.A	TANGIBLE FIXED ASSETS																					
	Land	33.46	-	-	-	-	-	-	33.46	-	-	-	-	-	-	-	-	33.46	-	-	33.46	
	Building	615.20	23.17	5.17	-	-	-	643.54	123.62	19.93	-	-	-	143.55	499.99	-	-	491.58	-	-	491.58	
	Compound Wall	0.26	-	-	-	-	-	0.26	0.22	0.01	-	-	-	0.23	0.03	-	-	0.04	-	-	0.04	
	Plant and Machinery	950.72	117.27	41.02	(0.45)	-	-	1,108.57	292.11	38.60	-	(0.23)	-	330.48	778.08	-	-	658.62	-	-	658.62	
	Electrical Installation	18.46	4.82	-	-	-	-	23.28	8.11	1.26	-	-	-	9.37	13.91	-	-	10.35	-	-	10.35	
	Furniture & Fixtures	89.49	2.05	-	-	-	-	91.54	33.08	7.44	-	-	-	40.52	51.02	-	-	56.41	-	-	56.41	
	Grates	0.71	-	-	-	-	-	0.71	0.70	-	-	-	-	0.70	0.01	-	-	0.01	-	-	0.01	
	Office Equipment	60.82	8.63	-	-	-	-	69.45	29.35	4.06	-	-	-	33.41	36.04	-	-	31.47	-	-	31.47	
	Other Equipment	0.01	-	-	-	-	-	0.01	0.01	0.00	-	-	-	0.01	0.00	-	-	0.00	-	-	0.00	
	Vehicles	37.06	-	-	(0.57)	-	-	36.49	22.42	2.71	-	(0.22)	-	24.91	11.58	-	-	14.64	-	-	14.64	
	Research & Development	214.84	31.08	-	-	-	-	245.92	43.08	9.39	-	-	-	52.48	193.44	-	-	171.76	-	-	171.76	
	Computer ( for R & D)	1.02	-	-	-	-	-	1.02	0.76	-	-	-	-	0.76	0.26	-	-	0.26	-	-	0.26	
	<b>(A)</b>	<b>2,022.04</b>	<b>187.02</b>	<b>46.20</b>	<b>(1.02)</b>	<b>-</b>	<b>-</b>	<b>2,254.24</b>	<b>553.46</b>	<b>83.40</b>	<b>-</b>	<b>(0.45)</b>	<b>-</b>	<b>636.42</b>	<b>1,617.83</b>	<b>-</b>	<b>-</b>	<b>1,468.58</b>	<b>-</b>	<b>-</b>	<b>1,468.58</b>	
5.B	INTANGIBLE FIXED ASSETS																					
	Acquired Brand & Knowledge	252.93	20.35	-	-	-	-	273.28	103.55	24.49	-	-	-	128.04	145.24	-	-	149.39	-	-	149.39	
	Development Cost																					
	<b>(B)</b>	<b>252.93</b>	<b>20.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>273.28</b>	<b>103.55</b>	<b>24.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128.04</b>	<b>145.24</b>	<b>-</b>	<b>-</b>	<b>149.39</b>	<b>-</b>	<b>-</b>	<b>149.39</b>	
5.C	CAPITAL WIP																					
	Building	5.17	-	(5.17)	-	-	-	-	-	-	-	-	-	-	-	-	-	5.17	-	-	5.17	
	Plant & Machinery	41.02	-	(41.02)	-	-	-	-	-	-	-	-	-	-	-	-	-	41.02	-	-	41.02	
	<b>(C)</b>	<b>46.20</b>	<b>-</b>	<b>(46.20)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46.20</b>	<b>-</b>	<b>-</b>	<b>46.20</b>	
	<b>TOTAL (A+B+C)</b>	<b>2,321.18</b>	<b>207.37</b>	<b>-</b>	<b>(1.02)</b>	<b>-</b>	<b>-</b>	<b>2,527.53</b>	<b>657.01</b>	<b>107.89</b>	<b>-</b>	<b>(0.45)</b>	<b>-</b>	<b>764.46</b>	<b>1,763.07</b>	<b>-</b>	<b>-</b>	<b>1,664.17</b>	<b>-</b>	<b>-</b>	<b>1,664.17</b>	

Ageing of Capital Work in Progress is as follows :

Projects in Progress	Total			
	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs
	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2023

SR. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK		
		As at 01-04-2022	Additions	Transfers	Adjustments / Disposal	As at 31-03-2023	As at 01-04-2022	For the Year	Transfers	Adjustments	As at 31-03-2023	As at 31-03-2022
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>5.A</b>	<b>TANGIBLE FIXED ASSETS</b>											
	Land	33.46	-	-	-	33.46	-	-	-	-	33.46	33.46
	Building	589.50	25.70	-	-	615.20	104.63	18.98	-	123.62	491.58	484.87
	Compound Wall	0.26	-	-	-	0.26	0.21	0.01	-	0.22	0.04	0.05
	Plant and Machinery	862.76	88.51	-	(0.55)	950.72	258.05	34.06	-	292.11	658.62	604.72
	Electrical Installation	18.13	0.33	-	-	18.46	7.44	0.67	-	8.11	10.35	10.68
	Furniture & Fixtures	74.96	14.53	-	-	89.49	26.67	6.40	-	33.08	56.41	48.28
	Crates	0.71	-	-	-	0.71	0.70	-	-	0.70	0.01	0.01
	Office Equipment	52.73	8.09	-	-	60.82	24.60	4.75	-	29.35	31.47	28.13
	Other Equipment	0.01	-	-	-	0.01	0.01	0.00	-	0.01	0.00	0.00
	Vehicles	35.14	2.79	-	(0.87)	37.06	19.68	3.10	-	22.42	14.64	15.46
	Research & Development	178.79	36.05	-	-	214.84	35.21	7.87	-	43.08	171.76	143.58
	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>1,468.58</b>	<b>1,369.49</b>
<b>5.B</b>	<b>INTANGIBLE FIXED ASSETS</b>											
	Acquired Brand & Knowledge	230.15	22.79	-	-	252.93	80.43	23.12	-	103.55	149.39	149.72
	Development Cost	-	-	-	-	-	-	-	-	-	-	-
	<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>103.55</b>	<b>149.39</b>	<b>149.72</b>
<b>5.C</b>	<b>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>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>1,664.17</b>	<b>1,519.22</b>

Ageing of Capital Work in Progress is as follows :

	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	Total
Projects in Progress	46.20	-	-	-	46.20
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## Note 6 : NON CURRENT INVESTMENTS

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Non-trade investments		
Unquoted Equity Instruments (Fully paid up)		
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>TOTAL</b>	<b>0.13</b>	<b>0.13</b>

## Note 7 : OTHER FINANCIAL ASSETS (NON CURRENT)

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Security Deposits	17.87	14.79
Bank Deposits(With more than 12 months maturity)	-	-
Term Deposits	-	0.51
<b>TOTAL</b>	<b>17.87</b>	<b>15.30</b>

## Note 8 : INCOME TAX ASSETS (NON CURRENT)

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Advance payment of Income Tax	34.91	73.56
<b>TOTAL</b>	<b>34.91</b>	<b>73.56</b>

## Note 9 : OTHER NON CURRENT ASSETS

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Prepaid Rental	0.97	1.41
<b>TOTAL</b>	<b>0.97</b>	<b>1.41</b>

## Note 10 : INVENTORIES\*

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Raw Materials	292.02	238.09
Stock-in-Process	501.17	467.96
Finished Goods	242.68	263.74
Stores & Spares	69.18	70.01
<b>TOTAL</b>	<b>1,105.05</b>	<b>1,039.80</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.



## NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

### Note 11 : TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Trade Receivables	780.22	689.78
Trade receivables which have significant increase in credit risk	1.74	0.36
Trade receivables- Credit Impaired	-	-
Allowance for Credit Losses	(1.74)	(0.36)
<b>TOTAL</b>	<b>780.22</b>	<b>689.78</b>

Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2024

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	778.58	1.64	-	-	-	780.22
Disputed Trade Receivables considered doubtful	0.03	0.01	0.49	0.10	1.10	1.74
	<b>778.62</b>	<b>1.65</b>	<b>0.49</b>	<b>0.10</b>	<b>1.10</b>	<b>781.96</b>
Less : Allowance for Credit Losses	(0.03)	(0.01)	(0.49)	(0.10)	(1.10)	(1.74)
	<b>778.58</b>	<b>1.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>780.22</b>

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>

### Note 12 : CASH AND CASH EQUIVALENTS

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Balances with banks	-	-
In Current Account	-	-
Cash on hand	1.28	1.56
Others:	-	-
Term deposits with Banks (maturity of less than three months)	10.16	11.60
<b>TOTAL</b>	<b>11.45</b>	<b>13.15</b>
<b>Cash &amp; Cash Equivalent as per Cash Flow Statement</b>	<b>11.45</b>	<b>13.15</b>

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## Note 13 : BANK BALANCE OTHER THEN ABOVE

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Earmarked balances with Banks	-	-
Unclaimed Dividend A/c	0.28	0.32
Term Deposits (maturity of more than three months but less then twelve months)	-	2.48
<b>TOTAL</b>	<b>0.28</b>	<b>2.80</b>

## Note 14 : OTHER CURRENT ASSETS

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Balance with GST and other Govt. Authorities	76.62	65.45
Prepaid Expenses	25.38	34.55
Other Advances	68.10	62.93
<b>TOTAL</b>	<b>170.10</b>	<b>162.92</b>

## Note 15 : EQUITY SHARE CAPITAL

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>Authorised Share Capital</b>	-	-
1,80,00,000 (PY. : 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>

### 15.1 The Reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
	No. of Shares	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

### 15.2 The Details of Shareholders Holding more than 5% Shares :

Particulars	As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023	
	No. of Shares	% Held	No. of Shares	% Held
Makrand Moreswar Appalwar	3.84	21.70%	3.84	21.70%
Rinku Makrand Appalwar	2.37	13.38%	2.37	13.38%
Maithili Appalwar	1.07	6.02%	1.07	6.02%
Emmbi Laboratories Private Limited	1.66	9.40%	1.66	9.40%
Hidden Champions Fund	-	0.00%	1.22	6.91%
Maithili Agrotech Private Limited	1.06	6.00%	1.06	6.00%

## NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

### 15.3 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.

### 15.4 Details of shareholdings by the Promoter's of the Company

Particulars	As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023	
	No. of Shares	% Held	No. of Shares	% Held
Makrand Moreshwar Appalwar	3.84	21.70%	3.84	21.70%
Rinku Makrand Appalwar	2.37	13.38%	2.37	13.38%
Maithili Appalwar	1.07	6.02%	1.07	6.02%
Mitravinda Appalwar	0.24	1.37%	0.24	1.37%
Avinash Laddha	0.19	1.05%	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%
Kitec Industries (India) Private Limited	0.03	0.17%	-	0.00%

### Note 16 : OTHER EQUITY (REFER TO THE STATEMENTS OF CHANGES IN EQUITY)

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
(a) Securities Premium Reserves		
As per last Balance Sheet	272.65	272.65
	<b>272.65</b>	<b>272.65</b>
(b) Retained Earnings		
Balance as at the beginning of the year	1,157.29	1,084.45
Add : Profit for the Year	99.47	82.66
Add/Less : Other Comprehensive Income / (Expense) for the year	1.63	0.80
Add/Less : Other Adjustments	(1.38)	-
Less : Dividend	(4.88)	(9.63)
Less : TDS on Dividend	(0.43)	(0.98)
	<b>1,251.70</b>	<b>1,157.29</b>
<b>TOTAL</b>	<b>1,524.35</b>	<b>1,429.94</b>

#### Securities Premium:

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.

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## Note 17 : BORROWINGS (NON CURRENT)

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023	
	Non Current	Current	Non Current	Current
<b>(a) Secured</b>				
Term Loans				
- From Banks	178.96	93.86	246.83	80.02
- From Corporates	245.53	51.89	297.31	10.89
Other loans & advances	-	-	-	-
<b>(b) Unsecured</b>				
Term Loans				
- From Banks & NBFC	-	-	-	-
- From Corporates	-	-	-	-
Other loans & advances	-	-	-	-
<b>TOTAL</b>	<b>424.49</b>	<b>145.75</b>	<b>544.14</b>	<b>90.91</b>

### 17.1 Term Loans:

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.

**17.2** Hire Purchase Loans are secured by way of hypothecation of Vehicles purchased under Hire Purchase Scheme.

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

### 17.4 Repayment Schedule

YEARS	Secured Loans	Unsecured Loans
For 2024-25	145.75	-
For 2025-26	135.40	-
For 2026-27	101.33	-
For 2027-28	104.83	-
For 2028-29	74.64	-
For 2029-30	8.30	-

### 17.5

Debt Reconciliation as per IND AS	As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023	
	Non Current	Current	Non Current	Current
Opening Balance of Borrowings	544.14	924.32	500.88	940.09
Add/(Less): Proceeds / (Repayment) from Long Term Borrowings	-119.65	-	43.26	-
Add/(Less): Increase/(Decrease) in Working Capital Borrowings	-	215.05	-	-15.77
Closing Balance of Borrowings	424.49	1139.37	544.14	924.32

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## Note 18 : EMPLOYEE BENEFIT PROVISIONS (NON CURRENT)

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Provision for Employee Benefits (Gratuity)	16.73	16.13
<b>TOTAL</b>	<b>16.73</b>	<b>16.13</b>

## Note 19 : DEFERRED TAX LIABILITIES

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
The balance comprises of temporary differences attributable to :		
	128.55	115.70
Deferred Tax Liability / (Asset)		
Fixed Asset	(11.40)	12.86
<b>TOTAL</b>	<b>117.16</b>	<b>128.55</b>

### Note:

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

### MOVEMENT OF DEFERRED TAX LIABILITIES

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
At the start of the year	128.55	115.70
Charged/(Credited)		
- to Profit or loss (depreciation)	(11.40)	12.86
<b>TOTAL</b>	<b>117.16</b>	<b>128.55</b>

## Note 20 : PROVISIONS (NON CURRENT)

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Provision For Taxes	39.60	74.06
<b>TOTAL</b>	<b>39.60</b>	<b>74.06</b>

## Note 21 : BORROWINGS (CURRENT)

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Current maturities of long term debt (Refer Note : 18)	145.75	90.91
From Banks	-	-
Secured (Refer Note 22.1)	993.62	833.41
<b>TOTAL</b>	<b>1,139.37</b>	<b>924.32</b>

### 21.1 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.

### 21.2 Working Capital Loans :

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

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## Note 22 : TRADE PAYABLES

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Dues to Micro Enterprises and Small Enterprises (MESE)	-	-
Payables other than MESE	425.90	346.90
<b>TOTAL</b>	<b>425.90</b>	<b>346.90</b>

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 yr	1-2 years	2-3 years	More than 3 yrs	
(i)MSME	-	-	-	-	-
(ii)Others	425.04	0.86	-	-	425.90
	425.04	0.86	-	-	425.90

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

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

## Note 23 : OTHER FINANCIAL LIABILITIES (CURRENT)

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Unpaid Dividends	0.28	0.32
Others	19.26	21.73
<b>TOTAL</b>	<b>19.54</b>	<b>22.05</b>

## Note 24 : CONTINGENT LIABILITIES AND COMMITMENTS

IN INR MILLIONS

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
a) Contingent liabilities not provided for		
Guarantees		
1. Guarantee by Banks to Electricity Department (Silvassa)	13.93	10.40
2. Guarantee by Banks to District Horticulture Development Society.	5.49	6.98
3. Warranty against Sale of Retail Water Conservation products for 5 years	16.22	19.47
	-	-
b) Commitments		
Estimated amount of contracts remaining to be executed	-	-
On capital account (Net of Advances) and not provided for	-	-
- On account of Machinery	22.46	0.71
- On account of Land and Building	-	-

## NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

### Note 25 : REVENUE FROM OPERATIONS

Particulars	IN INR MILLIONS	
	2023-24	2022-23
Revenue from- Sale of products		
Export Sales	2,569.30	2,459.25
Domestic Sales	1,856.13	1,894.00
	<b>4,425.43</b>	<b>4,353.25</b>
Less : GST recovered	651.10	642.43
<b>TOTAL</b>	<b>3,774.34</b>	<b>3,710.83</b>

#### 25.1 DETAILS OF SALE OF PRODUCTS

Particulars	IN INR MILLIONS	
	2023-24	2022-23
Manufactured Goods	-	-
Polymer Based Multiple Products	4,425.43	4,353.25
<b>TOTAL</b>	<b>4,425.43</b>	<b>4,353.25</b>

### Note 26 : OTHER INCOME

Particulars	IN INR MILLIONS	
	2023-24	2022-23
<b>Interest</b>	-	-
From Current Investments	1.60	0.84
From Others	-	-
<b>Dividend</b>	-	-
From Long Term Investments (on shares of Co Op bank)	0.00	0.01
Other Non Operating Income	0.02	0.37
<b>TOTAL</b>	<b>1.62</b>	<b>1.22</b>

### Note 27 : COST OF MATERIAL CONSUMED

Particulars	IN INR MILLIONS	
	2023-24	2022-23
Raw Materials Consumed		
Opening Inventory	238.09	262.68
Add : Purchases (Net)	2,462.19	2,395.92
	<b>2,700.28</b>	<b>2,658.60</b>
Less : Closing Inventory	292.02	238.09
<b>TOTAL</b>	<b>2,408.26</b>	<b>2,420.51</b>

#### 27.1 DETAILS OF INDIGENOUS AND IMPORTED RAW MATERIALS CONSUMED

Particulars	2023-24		2022-23	
	Rs.	% Consumption	Rs.	% Consumption
Imported	258.44	10.73	200.29	8.27
Indigenous	2,149.82	89.27	2,220.22	91.73
<b>TOTAL</b>	<b>2,408.26</b>	<b>100.00</b>	<b>2,420.51</b>	<b>100.00</b>

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## 27.2 PARTICULARS OF MATERIAL CONSUMED

Particulars	2023-24	2022-23
Polymer Granules And Films Of Various Grades and Others	2,408.26	2,420.51
<b>TOTAL</b>	<b>2,408.26</b>	<b>2,420.51</b>

## Note 28 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE, WORK-IN-PROGRESS AND FINISHED GOODS

IN INR MILLIONS

Particulars	2023-24	2022-23
Inventories (At Close)		
Stock-in-Process	501.17	467.96
Finished goods	242.68	263.74
	<b>743.85</b>	<b>731.70</b>
Inventories (At Commencement)	-	-
Stock-in-Process	467.96	480.57
Finished goods	263.74	186.28
	<b>731.70</b>	<b>666.85</b>
	-	-
<b>TOTAL</b>	<b>(12.15)</b>	<b>(64.85)</b>

## Note 29 : EMPLOYEE BENEFITS EXPENSES

IN INR MILLIONS

Particulars	2023-24	2022-23
Salaries	146.94	141.47
Employees Welfare Expenses	13.11	12.42
Contribution to Provident Fund and Other Fund*	18.15	11.11
Gratuity	4.84	4.33
<b>TOTAL</b>	<b>183.04</b>	<b>169.32</b>

\* Includes amount of Rs. 11,26,842 received under ABRY, PMRPY AND PMPRPY Schemes.

## Note 30 : FINANCE COSTS

IN INR MILLIONS

Particulars	2023-24	2022-23
Interest	128.17	119.18
Other borrowing costs	40.81	37.83
<b>TOTAL</b>	<b>168.97</b>	<b>157.01</b>

## Note 31 : DEPRECIATION AND AMORTIZATION EXPENSES

IN INR MILLIONS

Particulars	2023-24	2022-23
Depreciation and Amortization	107.89	98.97
<b>TOTAL</b>	<b>107.89</b>	<b>98.97</b>



## NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

### Note 32 : OTHER EXPENSES

Particulars	IN INR MILLIONS	
	2023-24	2022-23
<b>MANUFACTURING EXPENSES</b>		
Factory Wages	209.74	192.22
Power and Fuel	106.39	84.14
Labour Charges	101.78	77.74
Consumable Stores	92.27	59.03
Repairs & Maintenance	23.19	18.19
Other Manufacturing Expenses	11.19	9.42
<b>Sub-Total (A)</b>	<b>544.55</b>	<b>440.74</b>
<b>SELLING AND DISTRIBUTION EXPENSES</b>		
Freight Forwarding Expenses	163.61	273.05
Sales Promotion Expenses	19.09	13.62
Vehicle Expenses	5.92	6.32
Incentive	5.52	2.99
Other Selling and Distribution Expenses	3.21	1.08
Sundry Export Expenses	2.12	1.72
Commission	1.23	0.29
<b>Sub-Total (B)</b>	<b>200.70</b>	<b>299.06</b>
<b>ESTABLISHMENT EXPENSES</b>		
Legal and Professional Charges	17.38	20.14
Scientific Research & Development	-	-
Rent	28.04	23.56
Tour & Travelling Expenses	21.39	22.06
Insurance	16.37	21.41
Printing, Stationary, Computer & Xerox Expenses	3.84	4.46
Postage and courier Expenses	5.72	2.60
Telephone Expenses	1.38	2.11
General Expenses	13.22	17.23
Electricity Expenses- Mumbai Office	0.91	0.77
Sundry Balances W/off (W /back)	0.02	-
Conveyance Expenses	1.51	1.60
Donations	0.06	0.06
Donations for CSR Activities	1.33	5.99
Foreign Exchange Variation (Net)	(36.25)	(52.26)
Payment to Auditor (See Note 32.3)	1.45	1.45
Gst Reversal On Purchases & Expenses	-	0.03
Loss on Sale of Fixed Asset	0.31	0.20
<b>Sub-Total (C)</b>	<b>76.67</b>	<b>71.42</b>
	-	-
<b>TOTAL [(A)+(B)+(C)]</b>	<b>821.92</b>	<b>811.22</b>

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## 32.1 DETAILS OF STORES, CHEMICALS AND PACKING MATERIALS CONSUMED

IN INR MILLIONS

Particulars	2023-24	2022-23
Imported	-	-
Indigenous	92.27	59.03
<b>TOTAL</b>	<b>92.27</b>	<b>59.03</b>

## 32.2 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

IN INR MILLIONS

Particulars	2023-24	2022-23
Import of Raw Materials	258.44	200.29
	<b>258.44</b>	<b>200.29</b>

## 32.3 PAYMENT TO AUDITORS

IN INR MILLIONS

Particulars	2023-24	2022-23
<b>As Auditor</b>	<b>-</b>	<b>-</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>

## 32.4 EXPENDITURE IN FOREIGN CURRENCY

IN INR MILLIONS

Particulars	2023-24	2022-23
Foreign Bank Charges	0.61	0.73
Testing Charges	0.50	0.53
Foreign Travelling Expenses	5.10	1.11
Software Charges	-	0.25
Freight Charges	95.59	259.24
Membership Fees	1.01	0.39
Discount & Commission	0.30	0.36
Knowledge Development Expenses	8.26	12.92

## 32.5

IN INR MILLIONS

Particulars	2023-24	2022-23
Foreign Exchange loss / (Gain) of Rs.	(36.25)	(52.26)

## Note 33 : EARNINGS PER SHARE (EPS)

IN INR MILLIONS

Particulars	2023-24	2022-23
Net Profit after tax as per Statement of Profit and Loss	99.47	82.66
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	5.62	4.67
Diluted Earnings per share	5.62	4.67
Face Value per equity share	10.00	10.00

## NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

### Note 34 : EARNINGS IN FOREIGN EXCHANGE

IN INR MILLIONS

Particulars	2023-24	2022-23
FOB value of Exports	2,462.84	2,337.74

### Note 35 : RELATED PARTY DISCLOSURES

IN INR MILLIONS

Name of Related Party (Designation)	Nature of Transaction	Amount of Transaction 2023-24	Amount of Transaction 2022-23	Balance as on 31.03.2024
Makrand Appalwar (Managing Director)	Remuneration Outstanding Remuneration	7.80	7.63	0.46 (0.46)*
Rinku Appalwar (CFO & Director)	Remuneration Outstanding Remuneration	7.20	7.04	0.43 (0.42)*
Maithili Appalwar (CFO- Avana Division)	Remuneration Outstanding Remuneration	-	0.43	- -
Payment to Non- Executive Directors	Sitting Fees	0.42	0.38	- -
Emmbi Watcon LLP (99.99% Share) ( Emmbi Watcon LLP has been struck off )	Loan given Loan Repaid	- -	- 1.03	- -
S. Sastry (President Works)	Remuneration	5.84	6.20	0.31 (0.31)*
Kaushal Patvi (Company Secretary)	Salary	0.56	1.60	- (0.10)*
Bhavi Gandhi (Company Secretary)		0.70	-	0.11 -
Kitec Industries (India) Private Limited (Common Directors)	Sale of Goods	1.80	7.10	- (0.01)*
Kitec Industries (India) Private Limited (Common Directors)	Purchases	0.87	0.18	- -
Dividend paid to Relatives	Dividend paid to Relatives	3.09	6.17	- -

(\* Figures represent balance as on 31.03.2023)

### Note 36 : TRADE PAYABLES TO MICRO, SMALL AND MEDIUM ENTERPRISES

IN INR MILLIONS

Particulars	2023-24	2022-23
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.	-	-

# NOTES ON FINANCIAL STATEMENTS

## For the year ended 31<sup>st</sup> March 2024

**Note 37** 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.

**Note 38** During the current year, a Wholly-Owned Foreign Subsidiary Company, of Emmbi Industries Limited, in the name of 'ZASTIAN PTE. LTD.' ('Zastian') has commenced the process of incorporating in Singapore. The Company is yet to influx share capital into the foreign subsidiary. Accordingly, the Company is not required to prepare the consolidated financial statements for the year since the subsidiary is not fully incorporated.

## Note 39 : Category wise Classification of Financial Instruments

IN INR MILLIONS

	Refer Note	As at 31 <sup>st</sup> March 2024			As at 31 <sup>st</sup> March 2023		
		FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>FINANCIAL ASSETS</b>							
Trade receivables	11	-	-	780.22	-	-	689.78
Loans		-	-	-	-	-	-
Cash and Bank Balances	12	-	-	11.73	-	-	15.95
Interest accrued		-	-	-	-	-	-
Investments	6	10.00	0.13	-	10.00	0.13	-
Security deposits	7	-	-	17.87	-	-	15.30
Others		-	-	-	-	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>10.00</b>	<b>0.13</b>	<b>809.81</b>	<b>10.00</b>	<b>0.13</b>	<b>721.03</b>
<b>FINANCIAL LIABILITIES</b>							
Trade payables	22	-	-	425.90	-	-	346.90
Short Term Borrowings	21	-	-	1,139.37	-	-	924.32
Interest accrued		-	-	-	-	-	-
Loans borrowed	17	-	-	424.49	-	-	544.14
Others	23	-	-	19.54	-	-	22.05
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>-</b>	<b>2,009.30</b>	<b>-</b>	<b>-</b>	<b>1,837.42</b>

(\* Please refer Note 41- Liquidity Risk)

## Note 40 : INCOME TAX EXPENSE

IN INR MILLIONS

Particulars	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023
<b>A. INCOME TAX EXPENSE</b>		
<b>Current tax</b>		
Current tax on profits for the year	11.58	24.05
Adjustments for current tax of previous years	(1.63)	0.30
<b>Total Current tax expenses</b>	<b>9.95</b>	<b>24.34</b>
<b>B. DEFERRED TAX</b>		
Deferred Tax for the year	(11.40)	12.86
<b>Total deferred tax expense/(benefit)</b>	<b>(11.40)</b>	<b>12.86</b>
<b>Income tax expense</b>	<b>(1.45)</b>	<b>37.20</b>

## NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

Particulars	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023
<b>C. RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S TAX RATE</b>		
Profit from continuing operations before income tax expense	98.02	119.86
Indian tax rate (previous year )	25.17%	27.82%
Income Tax as per applicable tax rate	24.67	33.35
Effects of non deductible business expenses	(24.48)	3.56
Effect on account of Minimum Alternate Tax (MAT) Credit Availment	-	-
Adjustments for current tax of previous years	(1.63)	0.30
Other items	-	-
<b>Income tax expense</b>	<b>(1.45)</b>	<b>37.20</b>

### Note 41 : EMPLOYEE BENEFIT OBLIGATIONS

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

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>I Defined Benefit Plans</b>		
<b>Gratuity</b>		
Current	3.00	1.46
Non-Current	13.72	14.67
<b>Total</b>	<b>16.73</b>	<b>16.13</b>
<b>A Significant assumptions :</b>		
The significant actuarial assumptions were as follows :		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2024</b>	<b>As at 31<sup>st</sup> March 2023</b>
Discount rate	7.23% p.a.	7.50% p.a.
Salary escalation rate	4.50% 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.

# NOTES ON FINANCIAL STATEMENTS

## For the year ended 31<sup>st</sup> March 2024

### 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	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023
Employers' Contribution to Provident Fund	18.40	12.95

## III Gratuity

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

Particulars	Present value of obligation	Net amount
<b>April 1, 2022</b>	<b>13.98</b>	<b>13.98</b>
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>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>(0.80)</b>
Benefits paid	(1.38)	(1.38)
<b>March 31, 2023</b>	<b>16.13</b>	<b>16.13</b>

Particulars	Present value of obligation	Net amount
<b>April 1, 2023</b>	<b>16.13</b>	<b>16.13</b>
Current service cost	3.63	3.63
Interest expense/(income)	1.21	1.21
<b>Total amount recognised in Profit or Loss</b>	<b>4.84</b>	<b>4.84</b>
Return on plan assets expense/(income)	-	-
(Gain)/loss from experience changes	1.96	1.96
(Gain)/loss from change in financial assumptions	(3.59)	(3.59)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(1.63)</b>	<b>(1.63)</b>
Benefits paid	(2.62)	(2.62)
<b>March 31, 2024</b>	<b>16.73</b>	<b>16.73</b>

## NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

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

Particulars	IN INR MILLIONS	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Present value of unfunded obligation	16.73	16.13
Fair value of plan assets	-	-
Surplus of funded plan	16.73	16.13

iii) Sensitivity analysis

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

Assumption	Impact on defined benefit obligation As at 31 <sup>st</sup> March 2024	
	%	DBO Rs.
<b>Discount rate</b>		
0.50% increase	-5.10%	15.87
0.50% decrease	5.60%	17.67
<b>Future salary increase</b>		-
0.50% increase	5.90%	17.71
0.50% decrease	-5.10%	15.87

Assumption	Impact on defined benefit obligation As at 31 <sup>st</sup> March 2023	
	%	DBO 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

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	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Less than a year	3.00	1.46
Between 1- 2 years	1.10	1.22
Between 2- 5 years	1.37	2.01
Over 5 years	5.81	4.18
<b>Total</b>	<b>11.28</b>	<b>8.88</b>

# NOTES ON FINANCIAL STATEMENTS

## For the year ended 31<sup>st</sup> March 2024

### 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	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Equity share capital	176.90	176.90
Other Equity	1,524.35	1,429.94
<b>Total Equity</b>	<b>1,701.25</b>	<b>1,606.84</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	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Dividends not recognised at the end of reporting period (including Tax Deducted at Source)	5.31	5.31

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, 2023- Re. 0.30). 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 carry out the CSR activities directly as well as by donation to Emmbi Foundation having main object as CSR Activity as specified in Schedule VII.
- b) Amount spent during the year on:

Particulars	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023
1 Amount required to be spend by the Company during the year	3.19	3.63
2 Amount of expenditure incurred on:		
(i) Construction / Acquisition of any asset	-	-
(ii) On purpose other than (i) above	1.33	5.99
3 Amount required to be set off for the Financial Year, if any	(2.36)	(0.00)
4 Shortfall/(Surplus) at the end of the year	(0.50)	(2.36)
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.	



## NOTES ON FINANCIAL STATEMENTS

### For the year ended 31<sup>st</sup> March 2024

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 (residential and office), software. 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. 2,76,06,523/- (Previous Year Rs. 2,31,24,537/-) 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 :-

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
For a period not later than one year	12.95	12.00
For a period later than one year and not later than five years	14.85	38.58
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.

# NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

## Expected credit loss:

### 31<sup>st</sup> March 2024

Particulars	Trade Receivables	Loans	Other Financial Assets	Total
Gross carrying amount	781.96	-	29.59	811.55
Expected loss rate	0.22%	-	-	0.21%
Expected credit losses (loss allowance provision)	1.74	-	-	1.74
<b>Carrying amount (net of impairment)</b>	<b>780.22</b>	<b>-</b>	<b>29.59</b>	<b>809.81</b>

### 31<sup>st</sup> March 2023

Particulars	Trade Receivables	Loans	Other Financial Assets	Total
Gross carrying amount	690.14	-	31.25	721.39
Expected loss rate	0.05%	-	-	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>

## 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:

31 <sup>st</sup> March 2024	Upto 1 year	1 to 3 years	3 to 7 years
<b>Non- derivative liabilities</b>			
Trade Payables	425.90	-	-
Borrowings	-	-	-
Long Term*	145.75	236.73	187.77
Interest	45.39	22.49	17.84
Short Term	993.62	-	-
Interest	82.09	-	-
Other Financial Liabilities	19.54	-	-
<b>TOTAL</b>	<b>1,712.28</b>	<b>259.22</b>	<b>205.61</b>
31 <sup>st</sup> March 2023	Upto 1 year	1 to 3 years	3 to 7 years
<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>

\*Based on the few assumptions we have calculated the interest pay out amount, which may vary with the amount actually disclosed.

## NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

### 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 2023-24

- 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

## NOTES ON FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2024

Sr. No.	Ratios	Numerator	Denominator	Mar-24	Mar-23	Variance %	Reason for variance if more than 25%
1	Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.30	1.48	(11.61)	-
2	Net Debt Equity Ratio (in Times)"	Total Debt	Total Equity	0.92	0.91	0.59	-
3	Debt Service Coverage Ratio (in Times)	EBIDTA	Debt service = Interest & Principal Repayment	0.22	0.23	(6.44)	-
4	Return on Equity	Net Profit After Tax	Total Equity	5.85	5.14	13.65	-
5	Inventory Turnover Ratio (in days)	Inventory	Revenue From Operations (Net)	107	102	4.77	-
6	Debtors Turnover Ratio (in days)	Debtors	Revenue From Operations	65	58	11.57	-
7	Trade Payable Turnover Ratio (in Days)	Trade Payables	Total Purchase	63	52	20.62	-
8	Net Capital Turnover Ratio	Revenue from Operations (Net)	Working Capital	7.83	6.03	29.74	Increase in Revenue with simultaneous fall in working capital
9	Net Profit Ratio(%)	Net Profit before Tax	Revenue from Operations (Net)	2.60	3.23	(19.60)	-
10	Return on Capital Employed(%)	Earnings before Interest and Tax	Capital Employed = Net Worth + Borrowings + Deferred Tax Liabilities	8.41	9.19	(8.49)	-

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 : 14<sup>th</sup> May, 2024

**Bhavi Gandhi**  
 Company Secretary

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

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

**Rinku Appalwar**  
 (CFO & Director)  
 DIN : 00171976



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