

Date: 18th August, 2020

To, Dept. of Corporate Services, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Company Code: 533161	To, The Listing Department, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400051 Company Code: EMMBI
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Dear Sir,

Sub: Annual Report for the Financial Year 2019-20 including Notice of Annual General Meeting ("AGM")

Pursuant to Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith Annual Report for the Financial Year 2019-20 including Notice of Annual General Meeting of the Company.

The Annual Report of the Company along with Notice convening Annual General Meeting and other relevant documents are also available on the website of the Company and can be accessed at <https://emmbi.com/wp-content/uploads/2020/08/Annual-Report-2020.pdf>

We request you to take the information on your records.

Thanking you,

Yours faithfully,

For Emmbi Industries Limited



Kaushal Patvi
Company Secretary & Compliance Officer



Encl: As stated above

A close-up photograph of a small green seedling with two leaves growing out of a crack in dark, textured soil. The seedling is positioned on the left side of the frame, and the background is a blurred, natural setting.

Hope

Annual Report 2020



Corporate Information

BOARD OF DIRECTORS

Mr. Makrand M. Appalwar
Chairman & Managing Director

Mrs. Rinku M. Appalwar
Executive Director & CFO

Mr. Krishnan I. Subramanian
Whole-Time Director

Mr. Rama A. Krishnan
Independent Director

Mr. Prashant K. Lohiya
Independent Director

Dr. Venkatesh G. Joshi
Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kaushal R. Patvi

STATUTORY AUDITORS

M/s. R. Daliya & Associates

SECRETARIAL AUDITORS

M/s. Sanjay Dholakia & Associates

REGISTERED OFFICE

99/2/1& 9, Madhuban Industrial Estate
Madhuban Dam Road, Rakholi Village
U.T. of Dadra & Nagar Haveli
Silvassa – 396 230
Tel: +91 (0260) 320 0948
Fax: 022 6784 5506
Email: info@emmbi.com
Website: www.emmbi.com

COMPANY IDENTIFICATION NUMBER (CIN)

L17120DN1994PLC000387

BOARD COMMITTEES

Audit Committee
Mr. Prashant K. Lohiya (Chairman)
Dr. Venkatesh G. Joshi
Mr. Rama A. Krishnan
Mrs. Rinku M. Appalwar

Nomination & Remuneration Committee
Mr. Prashant K. Lohiya (Chairman)
Mr. Rama A. Krishnan
Dr. Venkatesh G. Joshi

Stakeholders Relationship Committee
Mr. Prashant K. Lohiya (Chairman)
Mr. Rama A. Krishnan
Dr. Venkatesh G. Joshi
Mrs. Rinku M. Appalwar

BANKERS

State Bank of India
Axis Bank Limited
ICICI Bank Limited
Saraswat Co-Op. Bank Limited

SHARE TRANSFER AGENTS

Datamatics Business Solutions Limited
(Formerly known as Datamatics Financial Services Limited)
Plot No. B-5, Part B Crosslane,
MIDC, Andheri (E), Mumbai 400 093.
Tel: 022 - 66712001-2010
Fax: 022 - 66712011
Email: investorsqry@datamaticsbpm.com

Corporate Social Responsibility Committee

Dr. Venkatesh G. Joshi (Chairman)
Mr. Prashant K. Lohiya
Mr. Rama A. Krishnan
Mrs. Rinku M. Appalwar

Committee of Directors Committee

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



Every
once in a while, there comes an event
that changes humanity, perhaps forever. It tests us
to the limit. It questions our arrogance, underlines our
fragility and threatens our very existence, forcing us to reassess the
meaning of life itself.

But perhaps the greatest strength of humanity lies in its resilience. Of
fighting. Of taking body blows. And always getting back up to fight another day.
Whether it is natural disasters, disease, famines or man-made calamities,
Mankind has endured, picked up the pieces and begun. Perhaps, this is all the
more relevant now.

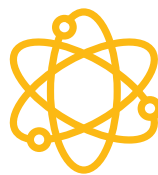
All because of that one magic word – hope.
And so, as the world confronts its worst nightmare, we dedicate this
annual report to stories of hope. Because, as they say, the
night is darkest right before the dawn.

Our Business



Water Conservation

Water scarcity is a problem not just in India, but the world over. Emmbi Industries applies its expertise in polymer science and engineering to create a range of products that help in the storage, transportation, conservation and harvesting of water, apart from fulfilling the irrigation needs of farmers across the country. The newest division within our company, it has already helped conserve over 13 million liters of water in India and promises to contribute increasingly to our revenues.



Advanced Composites

“Composites” refers to a product range that brings together two or more distinct materials in the final application. Our Advanced Composites focuses on creating products that combine polymers with a number of protective films or coatings. The idea is to create a barrier between hazardous material and humans. So, these products find application in removal of hazardous waste like asbestos and medical waste and as Safety Films, to protect workers in hazardous environments.



Specialty Packaging

Specialty Packaging is the oldest division within Emmbi, and one that contributes the primary share of our revenues currently. This division creates a range of packaging solutions for a global customer base across industries as diverse as chemicals, e-commerce, food, pharma and more. Ranging from the basic Flexible Intermediate Bulk Container to highly specialized ones like the “aroma-seal” variety, these products are primarily used in the bulk transportation of materials.



Agro Polymers

As the name suggests, this division (along with Water Conservation, the youngest) applies our expertise in polymers to create a range of products suited to agricultural applications. India is still a predominantly agrarian economy and these products – like fermentation and crop protection systems, fermentation-, radiation- and hail-control products and weed-management products – have directly helped our farmers improve their crop yields, while helping our economy.



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“ Hope is being able to see that there is brightness despite all the darkness. ”

Chairperson's Address

Dear Shareholders,

On behalf of the Board and the Employees, let me welcome you to the 26th Annual General Meeting, and thank you for being a part of the Emmbi family. I'm pleased to present to you that we have overcome the challenges and fragilities of both the global and domestic economy, and once again delivered a double-digit growth in volume and single digit growth in value. We at Emmbi strongly believe that crisis provides, an opportunity to pause, reflect, and re-set to a better future – be it at an individual level, or an institutional level. Our continual investments into research, robotic technology, flexible manufacturing techniques, people enrichment, has enabled us to sustain growth in both normal and very challenging times.

The global growth for calendar 2019 was just below 3.00%, perhaps the weakest pace in over a decade. Whilst cyclical and structural changes in most economies played a role, this was accentuated by trade barriers, and uncertainty which led to lower investments across industry. The IMF pointed out that weaker spending on machinery, equipment, and consumer durable goods was an important factor to the global slow-down. Many central banks responded by both cutting rates and engaging in asset purchases. Emmbi's prominent export market, the US grew at 2.10%, whilst Europe at 1.20%. The forecasts for 2020, on account of Covid19 are not at all encouraging at the global level and if there one, it may be negligible.

The Indian economy slowed down, and the growth was estimated at 5.00%, on account of a host of factors – slowing consumer demand, pace of pay increases lower compared to previous years, sluggish exports, and lower industrial production, especially automobiles. On the positive side, farm incomes, rural spending remained healthy, as was also higher production of fertilisers, cement (led by the government related infra projects), coal and steel production. The outlook seems very uncertain as the Covid-19 situation may lead to at least a 20~25% shaving-off on current production, and consumption levels domestically and almost similar globally.

2020- Achievements and Ability to make growth a 'Sustainable' proposition

We have now become the world's largest pond lining company and continue to conserve over a billion litres of water each month. The extension of this business came in the form of introduction of shrimps, and fish farming ponds, and the technological nature of the textile (an intellectual property of Emmbi). This gave us a distinct advantage over peers. We have also launched a small-ticket value items such as Kapila Silage bags, Jalakumbh bio-flocking solutions, Anant Packaging Bags, Rakshak Tarpaulin and Prabal Farming Thread. These will be sold in 300 SBOs and 500 MBOs by the end of the year.

I am happy to make a mention of Project 'Manthan' which is an ongoing initiative to reduce wastage, increase operational efficiency, and bring down costs of operation; I can proudly state that this has resulted in cost-savings of around 100 - 120 bps. The 5S, and Kaizen techniques and the additional certifications received, has placed the factory amongst the best in the industry.

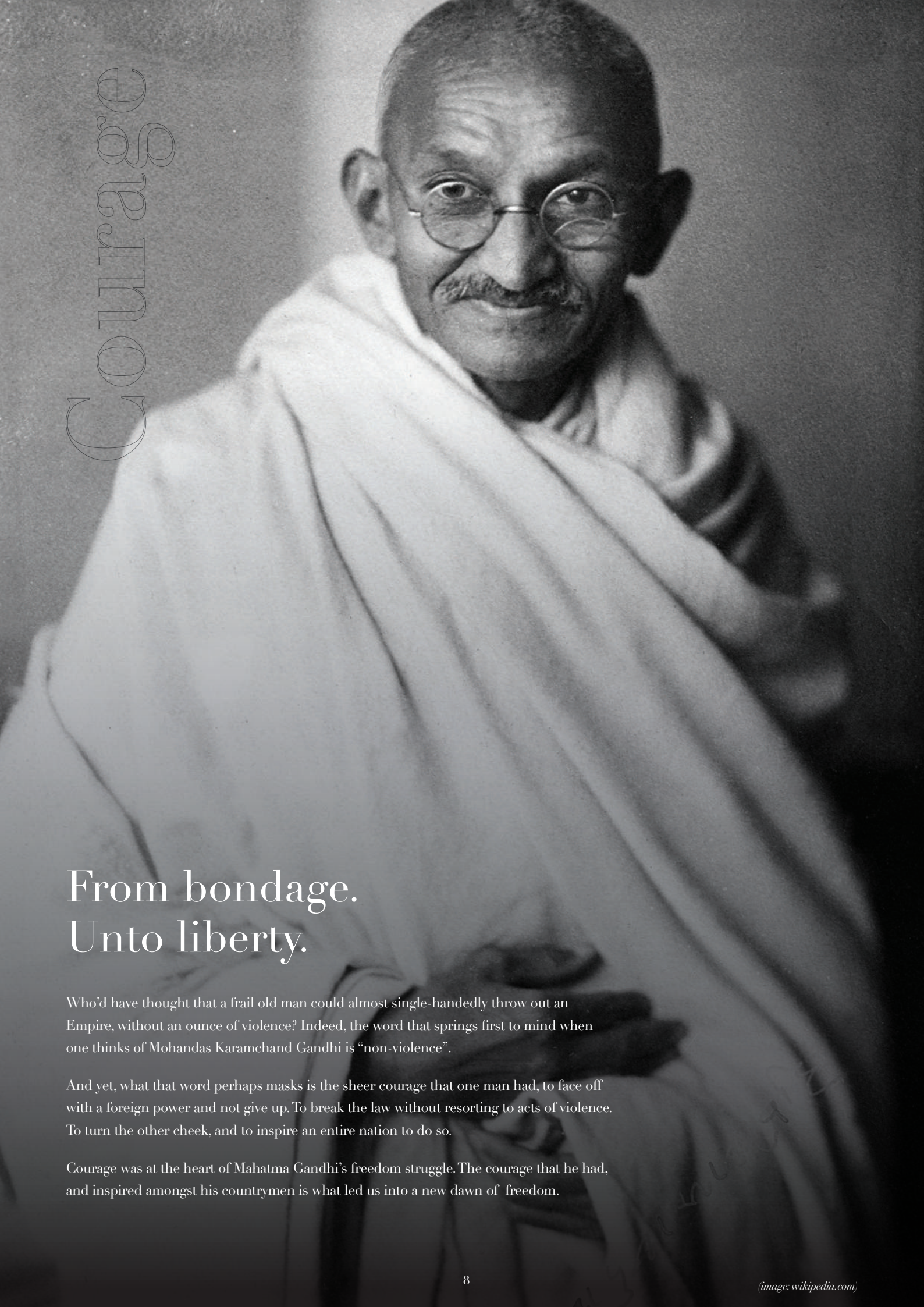
I had pointed out last year, that to build a world class company, the business model, needs to be both sustainable and profitable. What makes a company sustainable – a simple, and yet important way to look at it is, achieve consistent growth in-line with pre-defined operational and financial policies. The Emmbi way of looking at sustainable growth is to also include the 5Cs. Clients, Competitors, Costs, Capital, Community The first being Clients for they help us grow; at Emmbi we have been blessed to have a diverse range of clients, both in terms of products and geographies. The next is Competitors - we are aware, and work on the premise that our present peers, could well be allies in the future, from a collaboration or an idea sharing perspective. A close monitoring of Costs helps us grow even in challenging times, with minimal trade-off on margins. We are incredibly careful on the allocation of Capital, as misallocation can not only lead to a waste of resources, but also amplify risks. Most significantly, we are always grateful to the Community of our stakeholders who has been the soul of this company and very reason for its existence.

Whilst I see the road ahead is going to be full of hardships, and sacrifices, I do not see despair, and am reasonably confident that even under such circumstances we would continue to grow, without sacrificing the interests of our stakeholders. This year's Annual Report theme, Hope, continues to guide us through this tough time, but we are sure that we will sail through with your support and best wishes.

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

Warm Regards,

Makrand Appalwar
Chairman & Managing Director
18th June , 2020



Courage

From bondage. Unto liberty.

Who'd have thought that a frail old man could almost single-handedly throw out an Empire, without an ounce of violence? Indeed, the word that springs first to mind when one thinks of Mohandas Karamchand Gandhi is "non-violence".

And yet, what that word perhaps masks is the sheer courage that one man had, to face off with a foreign power and not give up. To break the law without resorting to acts of violence. To turn the other cheek, and to inspire an entire nation to do so.

Courage was at the heart of Mahatma Gandhi's freedom struggle. The courage that he had, and inspired amongst his countrymen is what led us into a new dawn of freedom.

Your Directors

At Emmbi, a talented, capable and dedicated Board of Directors helps us set our vision, and give shape to our dreams. Each of these directors brings a wealth of experience and unique expertise to the table.

Mr. Makrand Appalwar **Chairman & Managing Director**

Mr. Makrand Appalwar is a first generation entrepreneur instrumental in envisioning, and transforming Emmbi from a trading company, to a large-scale manufacturer and exporter. He has over two decades of rich experience in the polymer industry, and is the recipient of many awards. He lays great emphasis on teamwork, heads specific functional departments like marketing, branding, corporate strategy, drives product development through R&D, and is continually seeking ways to enhance sustainability, in the ecosystem around Emmbi.

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



Mrs. Rinku Appalwar **Executive Director & CFO**

Mrs. Rinku Appalwar, the co-founder of Emmbi Industries heads specific functional departments like accounts, finance, banking, compliance & legal, procurement, logistics, production and HR & Admin. She is a firm believer in setting high standards and this has translated to her being felicitated as the leading lady in manufacturing for three years in a row.

Rinku was instrumental in taking the company public, and ensuring it's five-fold growth in five years from the time Emmbi became a listed company.

Rinku is a graduate in Chemistry from Mumbai University, and an alumnus of The Indian Institute of Management, Bangalore.

Mr. Krishnan Subramanian **Wholetime Director**

Mr. Krishnan has a combined experience of over 25 years in the fields of Strategic Planning, Risk Management, Private Equity and M&As. He holds a key influencer role at a family office, which has interests in India's largest privately held logistics entity with supra-national ownership. He is also an active investor in the start-up space in India, Singapore and the US, and sits on the Advisory Board of a Microsoft ISV. He has been engaged with and overseen multiple fund raises of over \$600 million, and M&As of over over \$5 billion.

His professional career has been associated with the Banking, Private Equity, Information Technology, Manufacturing, and Services verticals, and given him the rich exposure of working with 60 different nationalities. Mr. Krishnan is a graduate of the Birla Institute of Technology & Science (BITS), Pilani, India and a post-graduate alumnus of MIT-Sloan School of Management. He also holds an Accounting Diploma and is a certified IFRS specialist.



Dr. Venkatesh Joshi
Independent Director

Dr. Joshi is an eminent personality in the field of medicine, who has overseen more than 10,000 surgeries, as an anaesthetist. He is a faculty at the prestigious R. A. Poddar Medical College in addition to being a speaker at various national and international conferences. He is also an advocate of Ayurveda, and a researcher.

He has attended various medical seminars at national and international levels. He writes articles for various health magazines and he has won Rajiv Shiromani Award in the year 2013 for outstanding contribution in Ayurveda.

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



Mr. Prashant Lohiya
Independent Director

Mr. Prashant Lohiya a practicing Chartered Accountant is a Fellow Member, Institute of Chartered Accountants of India (F.C.A.) has expertise in the fields of accounting, auditing, taxation, finance and management consulting. He has over 20 years of experience across various industries, and has presented papers on various accounting, and taxation topics. As the chairman of the audit committee his experience is very valuable to the company.

He was the Secretary (2005-06) and vice Chairman (2006-07) of Akola branch of Western India Regional Council of The Institute of Chartered Accountants of India (ICAI). He has presented various papers and delivered lectures at various seminars, conferences and meetings on topics of interest of various branches of The Institute of Chartered Accountants of India.



Mr. Rama Krishnan
Independent Director

Mr. Rama Krishnan is the Founder President and Past President (1970 – 73) of The Institute of Company Secretaries of India (ICSI). He is a Fellow Member, Institute of Company Secretaries of India (F.C.S.), Fellow member, Institute of Directors, London and Fellow Member, Chartered Institute for Securities & Investment, London.

He is a Member, LLP Committee of the Ministry of Corporate Affairs and the Chairman, Core Group on “Draft Rules of the Companies Act 2013” notified by the Ministry of Corporate Affairs.

He was nominated by Ministry of Finance, Government of India as a Member of Corporate Governance Committee, and was nominated thrice by Government of India as a Member of the Advisory Committee on Company Law. He appeared before the Parliamentary Standing Committee on Companies Amendment Bill 2000 and the Competition Bill 2000.



Notice of the Annual General Meeting

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the members of Emmbi Industries Limited will be held on Saturday, 12th day of September, 2020 at 10.30 am IST through video conferencing ("VC")/ Other Audio Visual Means OAVM, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, together with the Reports of the Board of Directors and the Auditors thereon;
2. To declare and approve payment of Dividend of Re. 0.40 per Equity Share for the financial year ended 31st March, 2020.
3. To appoint a Director in place of Mrs. Rinku M. Appalwar (DIN 00171976) who retires by rotation and, being eligible, offers herself for re-appointment.

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 March 31, 2020 at an existing remuneration of Rs. 78 lakhs (Rupees Seventy Eight Lakhs only) per annum and on the 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 CFO & Executive Director-Finance 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 CFO & Executive Director-Finance of the Company for a period of five years with effect from March 31, 2020 at an existing remuneration of Rs. 72 lakhs (Rupees Seventy Two Lakhs only) per annum and on the 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. **To re-appoint Mr. Prashant K. Lohiya (DIN 02990858), as an Independent Director of the Company and in this regard, to pass, the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Part D of Schedule II of the Listing Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be in force from time to time as recommended by Nomination and Remuneration Committee, Mr. Prashant K. Lohiya (DIN 02990858), who was appointed as an

Independent Director and who holds office as an Independent Director up to 30th March, 2020 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013; who is eligible for re- appointment and who has given a notice in writing under Section 160 of the Companies Act, 2013, signifying his intention as a candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a term of five consecutive years with effect from 31st March, 2020 upto 30th March, 2025 and whose office shall not be liable to retire by rotation.

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.”

7. To re-appoint Dr. Venkatesh G. Joshi (DIN 01234871), as an Independent Director of the Company and in this regard, to pass, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Part D of Schedule II of the Listing Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be in force from time to time as recommended by Nomination and Remuneration Committee, Dr. Venkatesh G. Joshi (DIN 01234871), who was appointed as an Independent Director and who holds office as an Independent Director up to 30th March, 2020 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013; who is eligible for re- appointment and who has given a notice in writing under Section 160 of the Companies Act, 2013, signifying his intention as a candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a term of five consecutive years with effect from 31st March, 2020 upto 30th March, 2025 and whose office shall not be liable to retire by rotation.

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.”

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

By Order of the Board of Directors
For Emmbi Industries Limited

Date: 18th June, 2020
Place: Silvassa

Kaushal Patvi
Company Secretary

NOTES

1. **Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May, 2020 read together with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as “MCA Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.**
2. A Member entitled to attend and vote at the Annual General Meeting (“AGM”) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Since this AGM is being held through VC / OAVM pursuant to the MCA 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.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 4 to 7 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 Nos. 4 to 7 of the Notice, are also annexed hereto.
5. M/s. R Daliya & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 23rd Annual General Meeting held on 22nd September, 2017 for a period of 5 years. Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM
6. Corporate members intending to participate through 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 authorising their representative to attend and vote on their behalf at the Meeting.

7. **In compliance with the MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.emmbi.com, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.**
8. Relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to info@emmbi.com.
9. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, 4th September, 2020 through email on info@emmbi.com. The same will be replied by the Company suitably.
10. **BOOK CLOSURE:** The Register of Members and Share Transfer Register of the Company will remain closed from Sunday, 6th September, 2020 to Saturday, 12th September, 2020 (both days inclusive) for the purpose of Dividend and AGM.
11. a) Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of bank account details to their respective depository participants(s). We urge the members to utilize the Electronic Clearing System (ECS) for receiving dividends.
- b) Members holding shares in dematerialized form are requested to intimate all 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. Members holding shares in physical form are requested to intimate such changes to Datamatics Business Solutions Limited.
- c) Address all correspondences, including dividend matters and change in address to the Share Transfer Agents Datamatics Business Solutions Limited, Plot No. B-5, Part- B cross lane, MIDC, Andheri (East), Mumbai 400 093, Tel. No. 66712001-2010; Fax No. 66712011; e-mail id: investorsqry@datamaticsbpm.com.
- d) Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Datamatics Business Solutions Limited for assistance in this regard.
- e) 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.
- f) Quote ledger folio numbers, Client ID and DP ID in all their correspondence.
- g) Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.
12. **DIVIDEND:** The dividend, as recommended by the Board of Directors, if approved at the Annual General Meeting, would be paid subject to deduction of tax at source, as may be applicable, after 12th September, 2020, to those persons or their mandates:
 - (a) whose names appear as Beneficial Owners as at the end of the business hours on Saturday, 5th September, 2020 in the list of Beneficial Owners to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form; and
 - (b) whose names appear as Members in the Register of Members of the Company as at the end of the business hours on Saturday, 5th September, 2020 after giving effect to:
 - (i) valid request(s) received for transmission/ transposition of shares; and
 - (ii) valid requests of transfer of shares in physical form (re-lodgment cases i.e. requests for transfer(s) which were received prior to 1st April, 2020 and returned due to deficiency in the documents) lodged with the Company/ its Registrar & Share Transfer Agents on or before Saturday, 5th September, 2020

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 Mr. Kaushal Patvi, Compliance Officer and Company Secretary, at the Company's Corporate Office. Members are requested to note that Dividends not encashed or claimed within seven years from the date of transfer to the Company's unpaid dividend account, will, as per Section 124 of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund (IEPF).

13. **TDS ON DIVIDEND:** Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of Members with effect from 1st April, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, Members are requested to refer to the Finance Act, 2020 and amendments thereof. Members are requested to update their Permanent Account Number ("PAN") with the Company/Datamatics Business Solutions Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

For Resident Shareholders, tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @ 7.5% on the amount of Dividend declared and paid by the Company during the Financial Year ("FY") 2020- 21 provided PAN is provided by the shareholder. If PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income-tax Act, 1961.

However, no TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2020-21 does not exceed Rs. 5,000. Please note that this includes the future dividends if any which may be declared by the Board in the FY 2020-21.

Separately, in cases where 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), no tax at source shall be deducted provided that the eligibility conditions are being met. Needless to say, PAN is mandatory. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

For Non-resident Shareholders, taxes are required to be withheld in accordance with the provisions of section 195 of the Income-tax Act, 1961 at the applicable rates in force. As per the relevant provisions of section 195 of the said 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 of GDRs and Foreign Portfolio Investors/ Foreign Institutional Investors, the withholding tax shall be as per the rates specified in Section 196C and 196D of the Act respectively plus applicable surcharge and cess on the amount of Dividend payable to them.

However, as per Section 90 read with Section 195 of the Income-tax Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") 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 the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Self-attested true copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident for the Financial Year 2020-21;
- Self-declaration in Form 10F;
- Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
- Self-declaration in the format prescribed by the Company, certifying the following points:
 - i. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2020-21;
 - ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. Shareholder does not have a taxable presence or a Permanent Establishment ("PE") in India during the Financial Year 2020- 21. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise;
 - v. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - vi. Non-resident shareholder is satisfying the Principle Purpose Test as per the respective tax treaty effective 1st April, 2020 (if applicable).

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. B-5, Part- B cross lane, MIDC, Andheri (East), Mumbai 400 093, Tel. No. 66712001-2010; Fax No. 66712011; e-mail id: investorsqry@datamaticsbpm.com. on or before Monday, 31st August, 2020 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination / deduction shall be entertained post Monday, 31st August, 2020. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible.

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 or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

14. **IEPF:** Under the Act, dividends that are unclaimed/ unpaid for a period of seven years 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.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2019 on the website of the Company at 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 regards in Newspapers.

Members whose unclaimed dividends/shares are/will be transferred to the IEPF Authority can claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 by following the refund procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>.

15. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of transmission or transposition of securities. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise their shares held in physical form.

Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account. Members may also visit web site of depositories viz. National Securities Depository Limited viz. <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited viz. <https://www.cdsindia.com/investors/open-demat.html> for further understanding of the demat procedure.

16. **The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Datamatics Business Solutions Limited.**
17. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, etc. from the Company electronically. Members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned below quoting their folio number(s).**
18. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the copy of the Annual Report including Financial statements, Board's report etc. and this Notice are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to info@emmbi.com mentioning your Folio/DP ID & Client ID.
19. The Annual Report 2019-20 of the Company is made available on the website of the Company at www.emmbi.com.
20. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
21. 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 7 of the Notice as mentioned hereinabove and to comply with the provisions of Section 108 of the Companies Act, 2013. He will submit his report within 48 hours from the date of conclusion of AGM to the Chairman of the Company and the same will be uploaded on the website of the Company.
22. **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**
- a. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
- 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. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
- b. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
 - c. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990

- d. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at info@emmbi.com during Saturday, 5th September, 2020 to Thursday, 10th September, 2020. Only those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

23. PROCEDURE FOR REMOTE E-VOTING:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

- How to Log-in to NSDL e-Voting website?
1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
 2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
 3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
 4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details 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, your ‘initial password’ is communicated to you on your postal address.
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.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on 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 mentioning your demat account number/folio number, your PAN, your name and your registered address.
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.

Details on Step 2 are given below:

- How to cast your vote electronically on NSDL e-Voting system?
 1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
 3. Select “EVEN” of company for which you wish to cast your vote.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. 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.
 6. Upon confirmation, the message “Vote cast successfully” will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sanjayrd65@gmail.com with a copy marked to evoting@nsdl.co.in.
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 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 or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

OTHER INSTRUCTIONS:

- (i) **The voting period begins on Wednesday, 9th September, 2020 from 9.00 a.m. IST and ends on Friday, 11th September, 2020 at 5.00 p.m. IST.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date (record date) of Saturday, 5th September, 2020** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- (ii) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the Meeting through electronic voting system or poll paper.
- (iii) 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. 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.
- (iv) 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.
- (v) The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website 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.

24. 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.

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 its meeting held on 12th February, 2020 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 March 31, 2020 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.

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

Remuneration:

Existing Remuneration of Rs.6,50,000/- per month includes basic salary, commission and taxable perquisites and other allowances but excluding perquisites to the extent exempted under the Income-tax Act, 1961.

The remuneration to be paid to Mr. Makrand M. Appalwar is as per Section 196 and Section 197 read with Schedule V of the Companies Act, 2013.

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 Mediciam / 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 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.
- 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" 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 29th 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. Mr. Makrand M. Appalwar is a graduate Mechanical 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 its meeting held on 12th February, 2020 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 March 31, 2020 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.

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

Remuneration:

Existing Remuneration of Rs.6,00,000/- per month includes basic salary, commission and taxable perquisites and other allowances but excluding perquisites to the extent exempted under the Income-tax Act, 1961.

The remuneration to be paid to Mrs. Rinku M. Appalwar is as per Section 196 and Section 197 read with Schedule V of the Companies Act, 2013.

Other terms of re-appointment:

- a. Perquisites: Subject to overall ceiling as aforesaid, the CFO & Executive Director-Finance 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 CFO & Executive Director-Finance.
- 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 CFO & Executive Director-Finance will also be a member of the Group Mediciam / 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
 - 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 CFO & Executive Director-Finance will perform her 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 CFO & Executive Director-Finance 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.
- h. The CFO & Executive Director-Finance shall adhere to the Company's Code of Conduct.
- i. The office of CFO & Executive Director-Finance may be terminated by giving six months' notice in writing by either by her 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" 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-Finance of the Company since 29th November, 1994. She was re-designated as the CFO and Executive Director-Finance of the Company since 10th 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 it's 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 alumnus of IIM Bangalore.

Item No. 6

Mr. Prashant K. Lohiya (DIN 02990858) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company upto 30th March, 2020 ("first term").

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Prashant K. Lohiya as an Independent Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Prashant K. Lohiya would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. The Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, had approved the re-appointment of Mr. Prashant K. Lohiya as an Independent Director on 12th February, 2020 in terms of Regulations 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations"), Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), to hold office for a second term of 5 (five) consecutive years from 31st March, 2020 to 30th March, 2025, not liable to retire by rotation, subject to the approval of the Members. Accordingly, it is proposed to re-appoint.

Mr. Prashant K. Lohiya is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act nor has been debarred from holding the office of a director by virtue of any order from Securities and Exchange Board of India (SEBI) or any such authority and has consented to act as Director of the Company. The Company has also received declaration from Mr. Prashant K. Lohiya that he meets the criteria of independence as prescribed under Section 149 read with Schedule IV to the Act and the Listing Regulations.

In the opinion of the Board, Mr. Prashant K. Lohiya fulfills the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Prashant K. Lohiya is Independent of the management.

Details of Mr. Prashant K. Lohiya are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. He shall be paid remuneration by way of sitting fee for attending meetings of the Board or committees thereof, reimbursement of expenses for participating in the Board and other meetings.

Copy of the draft of letter of appointment of Mr. Prashant K. Lohiya setting out the terms and conditions of appointment is available for electronic inspection by the members of the Company. Members seeking to inspect such documents can send an email to info@emmbi.com

Mr. Prashant K. Lohiya is interested in the resolution set out at Item No. 6 of the Notice with regard to his re-appointment. Relatives of Mr. Prashant K. Lohiya 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.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

A brief profile of Mr. Prashant K. Lohiya is given below:

Mr. Prashant K. Lohiya is a Non-Executive Independent Director of the Company since 31st May, 2010. He is the Chairman of Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, and Member of Corporate Social Responsibility Committee. Mr. Prashant K. Lohiya is a practicing Chartered Accountant. He has expertise in functional areas like Accounts, Auditing, Taxation, Finance and Management Consulting. He has over 20 years of experience across various industries, and has presented papers on various accounting, and taxation topics. He was the Secretary (2005-06) and vice Chairman (2006-07) of Akola branch of Western India Regional Council of The Institute of Chartered Accountants of India. He has presented papers and delivered lectures at various seminars, conferences and meetings on topics of interest of various branches of The Institute of Chartered Accountants of India.

Item No. 7

Dr. Venkatesh G. Joshi (DIN 01234871), was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company upto 30th March, 2020 ("first term").

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Dr. Venkatesh G. Joshi as an Independent Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Dr. Venkatesh G. Joshi would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. The Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, had approved the re-appointment of Dr. Venkatesh G. Joshi as an Independent Director on 12th February, 2020 in terms of Regulations 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations"), Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), to hold office for a second term of 5 (five) consecutive years from 31st March, 2020 to 30th March, 2025, not liable to retire by rotation, subject to the approval of the Members. Accordingly, it is proposed to re-appoint.

Dr. Venkatesh G. Joshi is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act nor has been debarred from holding the office of a director by virtue of any order from Securities and Exchange Board of India (SEBI) or any such authority and has consented to act as Director of the Company. The Company has also received declaration from Dr. Venkatesh G. Joshi that he meets the criteria of independence as prescribed under Section 149 read with Schedule IV to the Act and the Listing Regulations.

In the opinion of the Board, Dr. Venkatesh G. Joshi fulfills the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Dr. Venkatesh G. Joshi is Independent of the management.

Details of Dr. Venkatesh G. Joshi are provided in the "Annexure" to the Notice pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. He shall be paid remuneration by way of sitting fee for attending meetings of the Board or committees thereof, reimbursement of expenses for participating in the Board and other meetings.

Copy of the draft of letter of appointment of Dr. Venkatesh G. Joshi setting out the terms and conditions of appointment is available for electronic inspection by the members of the Company. Members seeking to inspect such documents can send an email to info@emmbi.com

Dr. Venkatesh G. Joshi is interested in the resolution set out at Item No. 7 of the Notice with regard to his re-appointment. Relatives of Dr. Venkatesh G. Joshi 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.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.
The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

A brief profile of Dr. Venkatesh G. Joshi is given below:

Dr. Venkatesh G. Joshi is a Non-Executive Independent Director of the Company since 11th December, 2010. He is the Chairman Corporate Social Responsibility Committee and Member of Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee.

Dr. Joshi is an eminent personality in the field of medicine, who has overseen more than 10,000 surgeries, as an anaesthetist. He is a faculty at the prestigious RA Poddar Medical College in addition to being a speaker at various national and international conferences. He is also an advocate of Ayurveda, and a researcher. He has expertise in functional areas like Medicine, Ayurveda and is a Medical Researcher.

He has attended various medical seminars at national and international levels. He writes articles for various health magazines and he has won Rajiv Shiromani Award in the year 2013 for outstanding contribution in Ayurveda.

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

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

Date: 18th June, 2020
Place: Silvassa

By Order of the Board of Directors
For Emmbi Industries Limited

Kaushal Patvi
Company Secretary

Annexure to the Notice dated 12th September, 2020

Name of the Director	Mr. Makrand M. Appalwar
Age	50 years
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	29th November, 1994
Number of shares held in the Company (singly or jointly as first holder) as on 31st March, 2020	38,25,150 equity shares of Rs. 10/- each.
Relationship with other Directors/ Key Management Personnel	Husband 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 (2019-2020)	4
Directorships of other Boards as on 31st March, 2020	1. Kitec Industries (India) Private Limited 2. Emmbi Laboratories Private Limited 3. Maithili Agrotech Private Limited 4. Indian Flexible Intermediate Bulk Container Association 5. Indian Technical Textile Association
Chairmanship/ Membership of the Committee(s) of the Board of Directors of other companies in which he/she is a Director as on 31st March, 2020	Nil
Name of the Director	Mrs. Rinku M. Appalwar
Age	49 years
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	29th November, 1994
Number of shares held in the Company (singly or jointly as first holder) as on 31st March, 2020	23,47,310 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 (2019-2020)	4
Directorships of other Boards as on 31st March, 2020	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 31st March, 2020	Nil
Name of the Director	Mr. Prashant K. Lohiya
Age	50 years
Nationality	Indian
Qualifications	Fellow Member, The Institute of Chartered Accountants of India (F.C.A.)
Experience (including expertise in specific functional area)/ Brief Resume	Please refer Explanatory Statement to this Notice.
Date of First Appointment on the Board	31st May, 2010

Number of shares held in the Company (singly or jointly as first holder) as on 31st March, 2020	6,250 equity shares of Rs. 10/- each.
Relationship with other Directors/ Key Management Personnel	Not related to any Director/ Key Management Personnel
Number of meetings of the Board attended during the financial year (2019-2020)	4
Directorships of other Boards as on 31st March, 2020	1. Blooming Dales Exports Limited 2. Creators Academy Private Limited
Chairmanship/ Membership of the Committee(s) of the Board of Directors of other companies in which he/she is a Director as on 31st March, 2020	Nil
Name of the Director	Dr. Venkatesh G. Joshi
Age	64 years
Nationality	Indian
Qualifications	Graduate in medicine from the Marathwada University, and an MD in Ayurveda From Mumbai University.
Experience (including expertise in specific functional area)/ Brief Resume	Please refer Explanatory Statement to this Notice.
Date of First Appointment on the Board	11th December, 2010
Number of shares held in the Company (singly or jointly as first holder) as on 31st March, 2020	Nil
Relationship with other Directors/ Key Management Personnel	Not related to any Director/ Key Management Personnel
Number of meetings of the Board attended during the financial year (2019-2020)	2
Directorships of other Boards as on 31st March, 2020	Nil
Chairmanship/ Membership of the Committee(s) of the Board of Directors of other companies in which he/she is a Director as on 31st March, 2020	Nil

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

Date: 18th June, 2020
Place: Silvassa

By Order of the Board of Directors
For Emmbi Industries Limited

Kaushal Patvi
Company Secretary

Directors' Report

DIRECTORS' 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 26th Annual Report of your Company and the Audited Accounts for the year ended 31st March, 2020. Your Company has recorded yet another year of good performance, in its operations. The highlights of the results are set out below:

FINANCIAL RESULTS (INR MILLION)

Particulars	Year ended on 31 March 2020	Year ended on 31 March 2019
Gross Sales	3331.40	3148.45
Less: Goods & Service Tax	(292.07)	(258.37)
Net Sales	3039.34	2890.08
Other income	1.61	1.37
Total revenue	3040.95	2891.45
Profit before Depreciation, Finance Cost, Exceptional item & Tax	375.80	411.22
Less: Depreciation	69.73	62.60
Profit before Finance Cost, Exceptional item & Tax	306.06	348.62
Less: Finance Costs	119.42	109.58
Profit before Exceptional Items & Tax	186.64	239.04
Add: Exceptional Items	0.00	0.00
Profit before tax	186.64	239.04
Less: Tax expenses	40.37	61.14
Profit after Tax	146.27	177.90
Opening Balance of retained earnings	700.07	532.82
Profit available for appropriation	0.00	0.00
Balance available for appropriation	700.07	532.82
Adjustment relating to fixed assets	0.00	0.00
Adjustments with other Equity	(1.51)	0.02
Less: Proposed Dividend / Paid	(8.85)	(8.85)
Less: Distribution tax on Dividend	(1.82)	(1.82)
Closing Balance of retained earnings	834.17	700.07

OPERATIONS

During the year under review, your Company has achieved Revenue from Operations and the Income aggregating to Rs. 3,039.34 million as against Rs. 2,890.08 million during the previous year, registering an increase of about 5.16 % over the previous year. Profit after providing for taxes is Rs. 146.27 million as against Rs. 177.90 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. 0.40 per equity share of the face value of Rs. 10/- each for the year ended on 31st March, 2020 (Re. 0.50 per share for the previous year) subject to the Members' approval. Dividend is subject to approval of members at the ensuing Annual General Meeting (AGM) and shall be subject to deduction of income tax at source.

EXPORTS

Values of Exports during the year under review were Rs. 1,439.38 million as against Rs. 1,469.88 million. Exports in the current financial year contributed to 43.21% in the gross sales. Company has expanded its presence in 57 countries which has resulted healthy growth in 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 quarter to enhance the "experience of work" of the employees. For Example, a "Suvidha Work from Home" policy was introduced for the Women workforce which will offer them a privilege work From home situation on the difficult days of mensuration cycle. This will help the to take care of their work from the comfort of their Home.

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.

The Kalyani Brigade- Example of Resilience and Innovation

What started as a seemingly small viral health issue quickly became a pandemic that challenged systems we had taken for granted for a long time. Migrant workers from across the country moved home to be closer to their families - of course this is understandable, but it also meant that we were extremely short on the manpower that we are dependent on for efficient production. To aid this, our production team created the Kalyani Brigade - a group of local women, who would be trained as tailors so that we could deliver our material on time to customers across India, and the world.

Since Garden Waste Bags are easy to make, this was the first assignment given to them. Although they started off slow, under the leadership of the Vama team they were able to reach 100% efficiency for Garden Waste Bags within one month. They are now moving on to bags that are tougher to create. The Kalyani Brigade is a perfect example of resilience and innovation - that we can get through the toughest times if we think outside the box and implement our quirky ideas.

A special congratulations to the team at our Vama Unit for this incredible story of success during these tough times!

Operation Dronacharya

In order to Keep the Talent Pool of Workers intact we have started a Special Skill Upgradation Program Named "Operation Dronacharya" under this we have already enrolled more than 150 individuals, of which after training more than 50 are transferred to Main Manufacturing Lines. Operation Dronacharya will continue to run till the entire need of Skilled manpower is taken care of.

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

GLOBAL PANDEMIC – COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity.

COVID-19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lockdown of production facilities etc. On March 24, 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till May 3, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

Covid-19 has impacted the business operations of the company by way of interruption in production activities, supply chain and availability of manpower. There were some major impact of Covid-19 as under following:

A) Steps taken by Emmbi to combat the COVID-19 & mitigate the problems.

We have broken the problem 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: In order 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 started the training of the Sales team of the distributor using the video conferencing in order to create better demand of our products.
- 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 are reflecting delay in paying as many of our buyer companies are situated in the Red Zones and the work pattern in sluggish.

In order to fight the Challenges created by Covid-19 the Company have taken all the above mentioned steps.

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

1. None of the assets of the Company have been impacted or impaired due to COVID-19.
2. 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.
3. 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.
4. 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, 2020, 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, 2020 and of the profit of the company for the year ended on that date;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a going concern basis;
- (v) the directors, further state that they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively and
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by rotation

In accordance with the provisions of the Companies Act, 2013, Mrs. Rinku M. Appalwar (DIN 00171976), Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers herself for re-appointment.

Key Managerial Personnel (KMP)

The following have been designated as the Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name of the Person	Designation
1	Mr. Makrand Appalwar	Chairman & Managing Director
2	Mrs. Rinku Appalwar	Chief Financial Officer
3	Mr. Kaushal Patvi	Company Secretary

There has been no change in the KMPs during the year under review.

There has been no change in the constitution of Board of Directors of the Company during the financial year 2019-2020.

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 12th February, 2020 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 March 31, 2020 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 12th February, 2020 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 March 31, 2020 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.

Re-Appointment of Independent Directors for a Second Term

The Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Directors and taking into account the external business environment, the business knowledge, acumen, experience and the substantial contribution made by Mr. Prashant K. Lohiya and Dr. Venkatesh G. Joshi during their tenure, has recommended to the Board that continued association of Mr. Prashant K. Lohiya and Dr. Venkatesh G. Joshi as Independent Directors would be beneficial to the Company. Based on the above and the performance evaluation of Independent Directors, the Board recommends re-appointment of:

- (i) Mr. Prashant K. Lohiya for a further period five consecutive years commencing from 31st March, 2020 to 30th March, 2025 and
- (ii) Dr. Venkatesh G. Joshi for a further period of five consecutive years commencing from 31st March, 2020 to 30th March, 2025

to hold office as Independent Directors of the Company, not liable to retire by rotation on the Board 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 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. The Independent Directors will be undertaking the said test in due course.

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 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 Board of Directors expressed their satisfaction with the entire evaluation procedure.

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 Non-Executive Directors on matters related to the Company's values and commitments. They are also introduced to the organisation structure, constitution of various committees, board procedures, risk management strategies, etc.

Strategic Presentations are made to the Board where Directors get an opportunity to interact with Senior Management. Directors are also informed of the various developments in the Company through Press Releases, emails etc.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has a Strategic Joint Venture with Global Bag sro, Czech Republican Company. The Company has with 25% investment in Global Bag sro.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

VIGIL MECHANISM

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. Whistle Blower Policy of your Company is available on the Company's website and can be accessed at the Web-link: www.emmbi.com.

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.

DEPOSITS FROM PUBLIC

During the financial year under review, the Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from Public was outstanding as on the date of the Balance Sheet.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has not given any loan, guarantees or made any investments as prescribed in Section 186 of the Companies Act, 2013.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / 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.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

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.

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

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, Rural Transformation; 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.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC. & FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:

The information as required under Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings is given below:

1. CONSERVATION OF ENERGY:

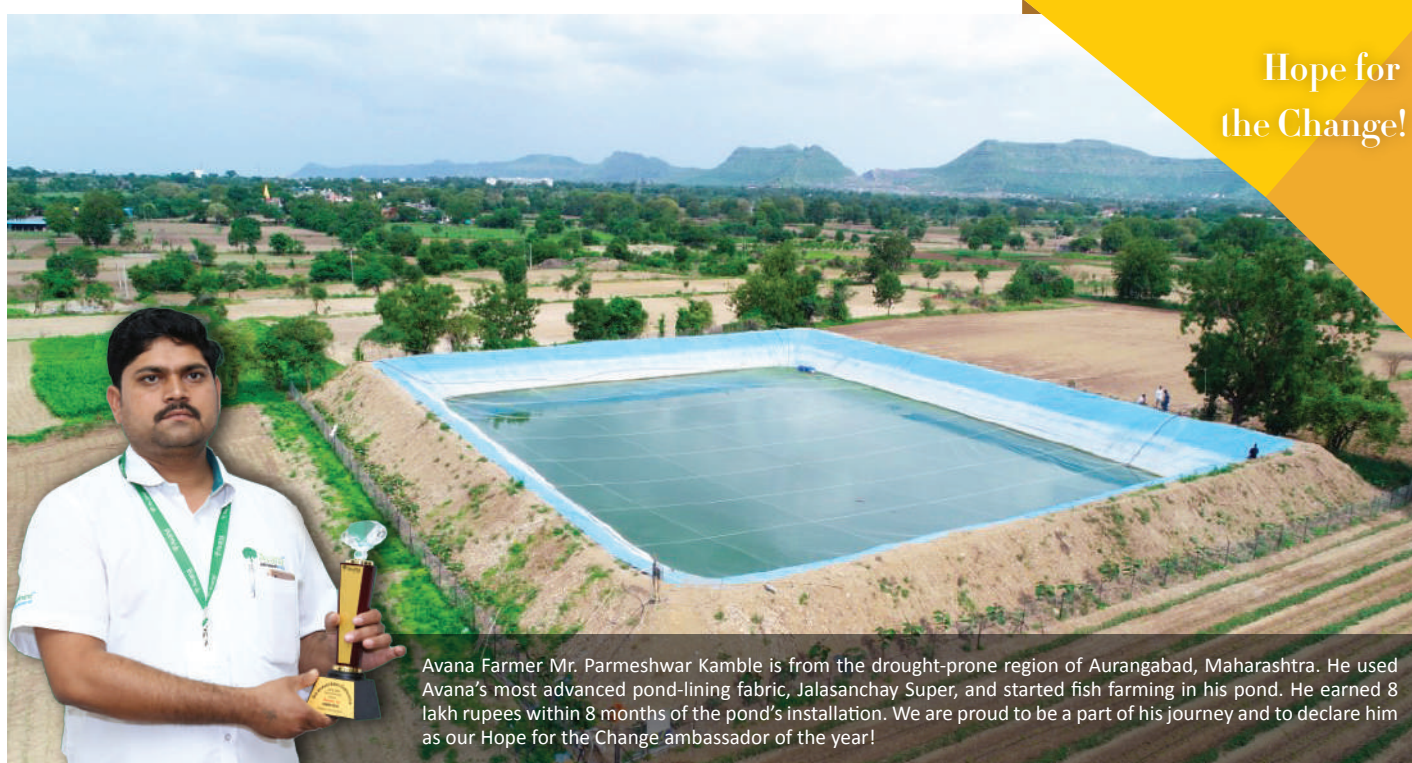
- a. The Company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimise consumption. Energy continues to be a material aspect from climate change as well as operational perspective. Emmbi's commitment to decouple energy and carbon footprint from business growth reflects in the reduction in specific consumption that Emmbi has achieved.
- b. Steps are taken to institutionalized process of identifying and understanding increase and decrease in energy use by monitoring energy consumption trends to determine future energy use when planning future changes in the business and diagnose specific areas of wasted energy.
- c. Significant reductions in energy consumption and cost of production of goods have been observed by the implementation of above referred measures.
- d. Implementation of referred measures have resulted in increased facility reliability as well as improved equipment performance.

2. TECHNOLOGY ABSORPTION:

The Company continues to adopt and use the latest technologies to improve the productivity and quality of its products. The Company's operations do not require significant import of technology.

(A) Research and Development:

The Silvassa unit of the company located at ---99/2/1&9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U. T. of Dadra & Nagar Haveli Silvassa 396 230 is accorded In-house R&D recognition up to 31/03/2021 from Department of Scientific And Industrial Research, Ministry of Science & Technology, Government of India, New Delhi.



Avana Farmer Mr. Parmeshwar Kamble is from the drought-prone region of Aurangabad, Maharashtra. He used Avana's most advanced pond-lining fabric, Jalsanchay Super, and started fish farming in his pond. He earned 8 lakh rupees within 8 months of the pond's installation. We are proud to be a part of his journey and to declare him as our Hope for the Change ambassador of the year!

In pursuit of R & D endeavors the company is regularly incurring expenditure on R & D on the following activities

- Design and Development of New Products;
- Continuous improvement of existing products for enhanced durability and performance;
- Product optimization using advanced technology;
- Testing and adaptation of New Materials ;
- New processes, up gradation & production process improvement of existing processes;
- Redesigning of the manual processes in to Automation;
- Environment compliance by products and processes.

(B) Benefits:

Benefits derived as a result of R & D: It has resulted in the improvement of quality of the products and reduced operation cost. Up gradation 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	(Rs. In Millions)
Capital Expenditure	1.97
Revenue Expenditure	30.53
Total R&D Expenditure	32.51
Total Turnover (Net Sales)	3,039.34
Total R&D Expenditure as a percentage of Total turnover	1.07

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. 1,393.57 millions.

	(Rs. In Millions)	
Particulars	2019-20	2018-19
Foreign Exchange Earnings	1,393.57	1,377.55
Foreign Exchange Outgo	30.10	40.02

RISK MANAGEMENT POLICY

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. The Company has a robust organisational structure for managing and reporting on risks. A statement including development and implementation of a risk management policy for the Company is attached and forms a part of the Board's Report as **Annexure 2**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

No significant or material orders were passed by the Regulators or Courts or Tribunals or Statutory or Quasi-Judicial body which impact the going concern status and Company's operations in future.

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.

Accordingly, an amount of Rs. 64,833.30/- being unclaimed / unpaid dividend for FY 11-12 and which remained unpaid and unclaimed for a period of 7 years has been transferred by the Company to the IEPF.

Further, the unclaimed / unpaid dividend amount pertaining to the FY 12-13 will be transferred to IEPF during FY 20-21.

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 Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules.

The Company has sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPFA to take immediate action in the matter. As required under the IEPF Rules, the Company has also published a Notice informing the Members' who have not claimed their dividend for a period of 7 years to claim the same from the Company before they are transferred to IEPFA.

Accordingly, the Company has transferred 4,426 shares to IEPF according to the General Circular No.12/2017 for which dividend is unpaid/unclaimed for a period of 7 years.

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

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>.

STATUTORY AUDITOR

R. Daliya & Associates, Chartered Accountants (Firm Registration No. 102060W), statutory auditor of the Company were appointed for a period of five years at the 23rd Annual General Meeting as Statutory Auditors till the conclusion of 28th Annual General Meeting subject to ratification at every Annual General Meeting and as per Notification issued by MCA the Company need not place the resolution for ratification at the AGM and hence no resolution is placed before the AGM. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

Avana Jalasanchay Pond



Avana Jalasanchay Ponds are creating ecological balance and bringing sustainable future for all living beings.

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 has appointed Mr. Sanjay R. Dholakia, Practising Company Secretary, to conduct Secretarial Audit for the F.Y. 2019-20. The Secretarial Audit Report for the financial year ended 31st March, 2020 is attached and forms part of the Board Report as **Annexure 3**.

OBSERVATIONS – STATUTORY AUDITOR & SECRETARIAL AUDITOR

There are no qualifications, reservations, observations, disclaimers or adverse remarks contained in the Auditors Report or the Secretarial Audit 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.

ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2020 in Form No. MGT-9 is attached as **Annexure 1**.

BOARD MEETINGS

During the year under review, Four (4) Board Meetings were convened and held. Detailed information on the meetings of the Board and all its Committees are included in the report on Corporate Governance, which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the listing regulations.

AUDIT COMMITTEE

The Board has constituted the Audit Committee as under:-

Mr. Prashant Lohiya, Independent Director as Chairman
Dr. Venkatesh Joshi, Independent Director, as a member
Mr. Rama Krishnan, Independent Director, as a member
Mrs. Rinku 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 Lohiya, Independent Director as Chairman
Dr. Venkatesh Joshi, Independent Director as a member
Mr. Rama 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.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board has constituted the Stakeholders' Relationship Committee as under:-

Mr. Prashant Lohiya, Independent Director as Chairman
Dr. Venkatesh Joshi, Independent Director as a member
Mr. Rama Krishnan, Independent Director as a member
Mrs. Rinku 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 Joshi, Independent Director as Chairman
Mr. Rama Krishnan, Independent Director as a member
Mr. Prashant Lohiya, Independent Director as a member
Mrs. Rinku Appalwar, Executive Director as a member.

The Corporate Social Responsibility Policy is available on the Company's website 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. Details of amount spent on CSR activities during the financial year 2019-20 is attached and forms part of the Board Report as **Annexure 4**. 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 Directors' Report for the year ended March 31, 2020 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 is also 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

The Company doesn't have any employee within the purview of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 hence, no such details to be provided.

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 business associates at all levels during the year under review.

The Board of Directors also wish to place on record their deep appreciation for the committed services and excellent work done by the employees of the Emmbi family at all levels during the year.

For and on behalf of the Board of Directors

Place: Silvassa
Date: 18th June, 2020

Makrand Appalwar
Chairman & Managing Director
DIN: 00171950

Flood Control



Emmbi Flood Control is a simply designed flood control barrier that deploys fewer workers and natural resources than sandbags in the case of flash floods. It is economical and consumes significantly lesser implementation time too.



Persistence

From darkness. Unto light.

Persistence is perhaps the word that best describes Thomas Edison. Always inquisitive, he never had an easy childhood. His teachers constantly complained to his mother till such a point that she decided to pull him out of school and homeschool him. When he was 9 or 10, he went completely deaf in one ear, and lost 80% of his hearing the other.

From his childhood right throughout his life, he was doubted. In fact, conventional logic tells us he should have been a miserable failure, forgotten in the annals of history. But his perseverance saw him through. "I have not failed," he famously said, "I've just found 10,000 ways that don't work."

Perseverance is what led Edison to invent the lightbulb. And it is perseverance that shall lead mankind to a brighter tomorrow.

Annexures to the Directors' Report

Annexure 1 to Director's Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2020

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

I REGISTRATION & OTHER DETAILS

i	CIN	L17120DN1994PLC000387
ii	Registration Date	November 29, 1994
iii	Name of the Company	Emmbi Industries Limited
iv	Category/Sub-category of the Company	Company limited by shares Indian Non-Government Company
v	Address of the Registered office & contact details	99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U. T. of Dadra & Nagar Haveli, Silvassa 396 230, India. Tel. No.: +91 (0260) 320 0948. Email: info@emmbi.com. Website: www.emmbi.com
vi	Whether listed company	Yes, Listed on BSE Limited & National Stock Exchange of India Limited (NSE)
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any	Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited) Plot No. B-5, Part B Crosslane, MIDC, Andheri (East), Mumbai 400 093. Tel: 022 - 66712001-2010. Fax: 022 - 66712011. Email: investorsqry@datamaticsbpm.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacture of plastics products	222	100.00%
2	Trading of plastics products	479	0.00%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SL No	Name & Address	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Global Bag s.r.o Oblekovice 355, 671 81 ZNOJMO, Czech Republic	NA	Associate	25.00	2(6)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) CATEGORY-WISE SHAREHOLDING

CATEGORY OF SHAREHOLDERS		NO OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
(i)	(ii)	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES (VI)	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES (X)	(xi)
A. PROMOTER AND PROMOTER GROUP										
(1)	Indian									
	a) Individual/HUF	7501721	0	7501721	42.40	7564335	0	7564335	42.76	0.36
	b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
	c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
	d) Bodies Corporate	2724300	0	2724300	15.40	2724300	0	2724300	15.40	0.00
	e) Bank/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
	f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A) (1)	10226021	0	10226021	57.81	10288635	0	10288635	58.16	0.35

CATEGORY OF SHAREHOLDERS		NO OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	Foreign									
	a) NRI/Foreign Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b) Government	0	0	0	0.00	0	0	0	0.00	0.00
	c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	d) Bank/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
	e) Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
	f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter and Promoter Group										
(A)= (A)(1)+(A)(2)		10226021	-	10226021	57.81	10288635	-	10288635	58.16	0.35
B. PUBLIC SHAREHOLDING										
(1)	Institutions									
	a) Mutual Funds/ UTI	0	0	0	0.00	0	0	0	0.00	0.00
	b) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	c) Alternate Investment Funds	0	0	0	0.00	482300	0	482300	2.73	2.73
	d) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	e) Foreign Portfolio Investors	1222653	0	1222653	6.91	1222653	0	1222653	6.91	0.00
	f) Bank/Financial Institutions	4925	0	4925	0.03	115	0	115	0.00	-0.03
	g) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	h) Provident Funds/Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
	i) Any Other- Qualified Foreign Investor / Qualified Institutional Buyers	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(1)	1227578	0	1227578	6.94	1705068	0	1705068	9.64	2.70
(2)	Central Government/State Government(s)/ President of India	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
(3)	Non Institutions									
	a) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	i) Indian	939676	0	939676	5.31	1011397	0	1011397	5.72	0.41
	ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
	b) Individuals									
	b(i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	3954169	10	3954179	22.35	3747563	10	3747573	21.19	-1.16
	b(ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	1017308	0	1017308	5.75	571982	0	571982	3.23	-2.52
	c) NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
	d) Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
	e) Overseas Depositories (holding DRs)(balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
	f) Any Other									
	i) NRI Rep	130158	0	130158	0.74	136561	0	136561	0.77	0.03
	ii) NRI Non-Rep	168240	0	168240	0.95	170408	0	170408	0.96	0.01
	iii) Trusts	6436	0	6436	0.04	6436	0	6436	0.04	0.00
	iv) OCB	0	0	0	0.00	0	0	0	0.00	0.00
	v) Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
	vi) Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
	vii) Clearing Member	6733	0	6733	0.03	33843	0	33843	0.19	0.00
	viii) Unclaimed/Escrow Account	0	0	0	0.00	0	0	0	0.00	0.00
	viii) IEPF Authority	13921	0	13921	0.08	18347	0	18347	0.10	0.02
	SUB TOTAL (B)(3)	6236641	10	6236651	35.25	5696537	10	5696547	32.20	-3.05
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	7464219	10	7464229	42.19	7401605	10	7401615	41.84	-0.35
	Total (A+B)	17690240	10	17690250	100.00	17690240	10	17690250	100.00	0.00
(C)	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	17690240	10	17690250	100.00	17690240	10	17690250	100.00	0.00

(ii) SHARE HOLDING OF PROMOTERS

SL NO	SHAREHOLDER'S NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR			SHAREHOLDING AT THE END OF THE YEAR			% CHANGE IN SHAREHOLDING DURING THE YEAR
		No. Of Shares	% of total of the company	% of shares pledged encumbered to total shares	No. Of Shares	% of total of the company	% of shares pledged encumbered to total shares	
1	Mr. Makrand M. Appalwar	3825150	21.62	0.00	3825150	21.62	0.00	0.00
2	Mrs. Rinku M. Appalwar	2297360	12.98	0.00	2347310	13.27	0.00	0.28
3	Emmbi Laboratories Pvt. Ltd.	1663100	9.40	0.00	1663100	9.40	0.00	0.00
4	Maithili Agrotech Pvt. Ltd.	1061200	5.99	0.00	1061200	5.99	0.00	0.00
5	Miss Maithili M. Appalwar	1065250	6.02	0.00	1065250	6.02	0.00	0.00
6	Mrs. Mitravinda M. Appalwar	238311	1.35	0.00	238311	1.35	0.00	0.00
7	Mr. Avinash R. Laddha	57950	0.33	0.00	63614	0.36	0.00	0.03
8	Mr. Prashant K. Lohiya	6250	0.04	0.00	6250	0.04	0.00	0.00
9	Mr. Kailashchandra B. Lohiya	4550	0.03	0.00	11550	0.07	0.00	0.04
10	Mrs. Sarla K. Lohiya	3000	0.02	0.00	3000	0.02	0.00	0.00
11	Mr. Sanjay R. Rath	2100	0.01	0.00	2100	0.01	0.00	0.00
12	Mrs. Sangeeta S. Rath	1050	0.01	0.00	1050	0.01	0.00	0.00
13	Mrs. Sushiladevi R. Rath	750	0.01	0.00	750	0.01	0.00	0.35
	Total	10226021	57.81	0.00	10288635	58.16	0.00	0.35

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/19 TO 31/03/20)	
		No. of shares at the beginning of the yr (01/04/19)/ end of the yr (31/03/20)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
1	Mrs. Rinku M. Appalwar	2,297,360	12.99	01.04.19				
				27.09.19	100	Buy	2,297,460	12.99
				27.09.19	1,000	Buy	2,298,460	12.99
				06.12.19	800	Buy	2,299,260	13.00
				06.03.20	12,000	Buy	2,311,260	13.07
				13.03.20	14,000	Buy	2,325,260	13.15
				23.03.20	22,050	Buy	2,347,310	13.27
		2,347,310	13.27	31.03.20			2,347,310	13.27
2	Mr. Avinash R. Laddha	57,950	0.32	01.04.19				
				30.03.20	933	Buy	58,883	0.33
				31.03.20	4,731	Buy	63,614	0.36
		63,614	0.36	31.03.20			63,614	0.36
3	Mr. Kailashchandra B. Lohiya	4,550	0.03	01.04.19				
				27.03.20	4,000	Buy	8,550	0.04
		11,550	0.07	31.03.20	3,000	Buy	11,550	0.07

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/19 TO 31/03/20)	
		No. of shares at the beginning of the yr (01/04/19)/ end of the yr (31/03/20)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
1	HIDDEN CHAMPIONS FUND	1,222,653	6.91	01.04.19				
				Nil movement during the year				
		1,222,653	6.91	31.03.20			1,222,653	6.91
2	ITHOUGHTWEALTH ANALYTICS LLP	277,705	1.57	01.04.19				
				30.08.19	125,000	Buy	402,705	2.28
				18.10.19	87,000	Buy	489,705	2.77
		489,705	2.77	31.03.20			489,705	2.77
3	*TRUSTLINE DEEP ALPHA AIF	0	0.00	01.04.19				
				26.04.19	1,000	Buy	1,000	0.01
				03.05.19	29,000	Buy	30,000	0.17
				10.05.19	21,607	Buy	51,607	0.29
				17.05.19	30,733	Buy	82,340	0.47
				24.05.19	16,320	Buy	98,660	0.56
				31.05.19	33,666	Buy	132,326	0.75
				07.06.19	10,000	Buy	142,326	0.81
				14.06.19	28,661	Buy	170,987	0.97
				21.06.19	16,113	Buy	187,100	1.06
				28.06.19	7,044	Buy	194,144	1.10
				05.07.19	3,231	Buy	197,375	1.12
				19.07.19	23,625	Buy	221,000	1.25
				26.07.19	6,200	Buy	227,200	1.29
				02.08.19	12,500	Buy	239,700	1.36
				09.08.19	10,800	Buy	250,500	1.42
				16.08.19	5,000	Buy	255,500	1.45
				23.08.19	14,500	Buy	270,000	1.53
				30.08.19	13,000	Buy	283,000	1.60
				06.09.19	9,000	Buy	292,000	1.65
				13.09.19	26,000	Buy	318,000	1.80
				18.09.19	15,000	Buy	333,000	1.88
				27.09.19	7,000	Buy	340,000	1.92
				04.10.19	4,000	Buy	344,000	1.95
				18.10.19	12,700	Buy	356,700	2.02
				15.11.19	8,000	Buy	364,700	2.06
				22.11.19	13,000	Buy	377,700	2.14
				29.11.19	25,000	Buy	402,700	2.28
				06.12.19	18,300	Buy	421,000	2.38

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/19 TO 31/03/20)	
		No. of shares at the beginning of the yr (01/04/19)/ end of the yr (31/03/20)	% of total shares of the Company	No. of shares	Reason		No. of shares	% of total shares of the Company
				13.12.19	16,500	Buy	437,500	2.47
				03.01.20	5,000	Buy	442,500	2.50
				06.03.20	5,208	Buy	447,708	2.53
				13.03.20	12,292	Buy	460,000	2.60
				20.03.20	11,300	Buy	471,300	2.66
				27.03.20	11,000	Buy	482,300	2.73
		482,300	2.73	31.03.20			482,300	2.73
4	AAKASH FILAMENTS PVT. LTD.	180,950	1.02	01.04.19				
				13.03.20	12,000	Sell	168,950	0.95
				20.03.20	15,000	Sell	153,950	0.87
				27.03.20	21,261	Sell	132,689	0.75
		132,689	0.75	31.03.20			132,689	0.75
5	MRUNALINI RAJESH PANDIT	99,575	0.56	01.04.19				
				Nil movement during the year				
		99,575	0.56	31.03.20			99,575	0.56
6	VINAY GOPINATH PAI	98,678	0.56	01.04.19				
				Nil movement during the year				
		98,678	0.56	31.03.20			98,678	0.56
7	ASHOK MAGANLAL SHAH	97,876	0.55	01.04.19				
				27.03.20	470	Buy	98,346	0.56
				31.03.20	8	Buy	98,354	0.56
		98,354	0.56	31.03.20			98,354	0.56
8	UMAYA TRADING PVT. LTD.	89,012	0.50	01.04.19				
				Nil movement during the year				
		89,012	0.50	31.03.20			89,012	0.50
9	*JAINAM SHARE CONSULTANTS PVT. LTD.	49,953	0.28	10.05.19	167	Buy	50,120	0.28
				17.05.19	167	Sell	49,953	0.28
				28.06.19	77	Sell	49,876	0.28
				05.07.19	49,740	Sell	136	0.00
				26.07.19	80	Buy	216	0.00
				02.08.19	80	Sell	136	0.00
				09.08.19	36	Sell	100	0.00
				23.08.19	12,844	Buy	12,944	0.07
				30.08.19	12,817	Sell	127	0.00
				27.09.19	49,646	Buy	49,773	0.28
				30.09.19	77	Sell	49,696	0.28
				04.10.19	49,696	Sell	-	0.00
				22.11.19	1,000	Buy	1,000	0.01
				29.11.19	1,000	Sell	-	0.00
				06.12.19	67,113	Buy	67,113	0.38
				20.12.19	67,113	Sell	-	0.00
				10.01.20	100	Buy	100	0.00
				17.01.20	100	Sell	-	0.00
				28.02.20	67,113	Buy	67,113	0.38
		67,113	0.38	31.03.20			67,113	0.38
10	*KRISHNAN SUBRAMANIAN	50,000	0.28	01.04.19				
				22.11.19	350	Buy	50,350	0.29
				31.12.19	100	Buy	50,450	0.29
				21.02.20	1,550	Buy	52,000	0.30
				28.02.20	500	Buy	52,500	0.30
				06.03.20	1,250	Buy	53,750	0.31
				13.03.20	1,000	Buy	54,750	0.31
				20.03.20	2,500	Buy	57,250	0.33
				27.03.20	750	Buy	58,000	0.33
				31.03.20	1,000	Buy	59,000	0.34
		59,000	0.34	31.03.20			59,000	0.34
11	#S. SHYAM	213,862	1.21	01.04.19				
				23.08.19	124,972	Sell	88,890	0.50
				18.10.19	86,890	Sell	2,000	0.01
		2,000	0.01	31.03.20			2,000	0.01
12	#TRUSTLINE HOLDINGS PVT. LTD.	56,389	0.32	01.04.19				
				05.04.19	12,611	Sell	43,778	0.25

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		No. of shares at the beginning of the yr (01/04/19)/ end of the yr (31/03/20)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
				12.04.19	530	Sell	43,248	0.25
				21.06.19	4,100	Buy	47,348	0.27
				28.06.19	4,100	Sell	43,248	0.25
				09.08.19	2,397	Buy	45,645	0.26
				16.08.19	164	Buy	45,809	0.26
				23.08.19	2,561	Sell	43,248	0.25
				06.09.19	1,305	Buy	44,553	0.25
				13.09.19	1,305	Sell	43,248	0.25
				18.09.19	2,642	Buy	45,890	0.26
				20.09.19	2,642	Sell	43,248	0.25
				30.09.19	6,467	Buy	49,715	0.28
				04.10.19	6,467	Sell	43,248	0.25
				11.10.19	1,059	Buy	44,307	0.25
				18.10.19	1,059	Sell	43,248	0.25
				25.10.19	122	Buy	43,370	0.25
				01.11.19	1,196	Buy	44,566	0.26
				08.11.19	1,318	Sell	43,248	0.25
				15.11.19	807	Buy	44,055	0.25
				22.11.19	807	Sell	43,248	0.25
				29.11.19	10,677	Buy	53,925	0.31
				06.12.19	10,677	Sell	43,248	0.25
				14.02.20	1,311	Buy	44,559	0.26
				21.02.20	1,311	Sell	43,248	0.25
		43,248	0.25	31.03.20			43,248	0.25
13	#ANDREYS PURUSHOTTAM	114,756	0.65	01.04.19				
				10.05.19	7,000	Sell	107,756	0.61
				01.11.19	76	Sell	107,680	0.61
				15.11.19	5,623	Sell	102,057	0.58
				22.11.19	8,115	Sell	93,942	0.53
				29.11.19	13,973	Sell	79,969	0.45
				06.12.19	3,521	Sell	76,448	0.43
				31.12.19	2,397	Sell	74,051	0.42
				03.01.20	602	Sell	73,449	0.42
				10.01.20	2,254	Sell	71,195	0.40
				17.01.20	7,137	Sell	64,058	0.36
				07.02.20	5,861	Sell	58,197	0.33
				14.02.20	4,724	Sell	53,473	0.30
				21.02.20	2,089	Sell	51,384	0.29
				06.03.20	1,769	Sell	49,615	0.28
				13.03.20	10,548	Sell	39,067	0.22
				20.03.20	2,517	Sell	36,550	0.21
				27.03.20	25,224	Sell	11,326	0.06
		11,326	0.06	31.03.20			11,326	0.06

*Not in the list of Top 10 shareholders as on 01-04-2019. The same has been reflected above since the shareholder is one of the Top 10 shareholders as on 31-03-2020.

Ceased to be in the list of Top 10 shareholders as on 31-03-2020. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2019.

(v) Shareholding of Directors & KMP

SL NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATEWISE INCREASE/DECREASE IN THE SHAREHOLDING DURING THE YEAR SPECIFYING THE REASONS FOR INCREASE/DECREASE (E.G. ALLOTMENT/ TRANSFER/BONUS/ SWEAT EQUITY ETC)			CUMULATIVE SHAREHOLDING DURING THE YEAR (01/04/19 TO 31/03/20)	
		No. of shares at the beginning of the yr (01/04/19)/ end of the yr (31/03/20)	% of total shares of the Company		No. of shares	Reason	No. of shares	% of total shares of the Company
A	DIRECTORS							
1	Mr. Makrand M. Appalwar Chairman & Managing Director	3,825,150 3,825,150	21.62 21.62	01.04.19 31.03.20	0 0	Nil movement during the year	3,825,150	21.62
2	Mrs. Rinku M. Appalwar Executive Director & CFO	2,297,360	12.98	01.04.19 27.09.19 27.09.19 06.12.19 06.03.20 13.03.20 23.03.20 31.03.20	0 100 1,000 800 12,000 14,000 22,050	Buy Buy Buy Buy Buy Buy	2,297,460 2,298,460 2,299,260 2,311,260 2,325,260 2,347,310 2,347,310	12.98 12.99 12.99 13.06 13.14 13.27 13.27
		2,347,310	13.27					

3	Mr. Krishnan I. Subramanian Whole Time Director	50,000	0.28	01.04.19					
				22.11.19	350	Buy	50,350	0.28	
				31.12.19	100	Buy	50,450	0.28	
				21.02.20	1,550	Buy	52,000	0.29	
				28.02.20	500	Buy	52,500	0.29	
				06.03.20	1,250	Buy	53,750	0.30	
				13.03.20	1,000	Buy	54,750	0.31	
				20.03.20	2,500	Buy	57,250	0.32	
				27.03.20	750	Buy	58,000	0.32	
				31.03.20	1,000	Buy	59,000	0.33	
				31.03.20			59,000	0.33	
		59,000	0.33						
4	Mr. Prashant K. Lohiya Non-Executive Director & Independent Director	6,250	0.04	01.04.19	0	Nil movement			
		6,250	0.04	31.03.20	0	during the year	6,250	0.04	
5	Dr. Venkatesh G. Joshi Non-Executive Director & Independent Director	0	0.00	01.04.19	0	Nil movement			
		0	0.00	31.03.20	0	during the year	0	0.00	
6	Mr. Rama A. Krishnan Non-Executive Director & Independent Director	0	0.00	01.04.19	0	Nil movement			
		0	0.00	31.03.20	0	during the year	0	0.00	
B	Key Managerial Personnel (KMP's)								
1	Mr. Makrand M. Appalwar Chairman & Managing Director	3,825,150	21.62	01.04.19	0	Nil movement			
		3,825,150	21.62	31.03.20	0	during the year	3,825,150	21.62	
2	Mrs. Rinku M. Appalwar Executive Director & CFO	2,297,360	12.98	01.04.19					
				27.09.19	100	Buy	2,297,460	12.98	
				27.09.19	1,000	Buy	2,298,460	12.98	
				06.12.19	800	Buy	2,299,260	12.99	
				06.03.20	12,000	Buy	2,311,260	13.06	
				13.03.20	14,000	Buy	2,325,260	13.14	
				23.03.20	22,050	Buy	2,347,310	13.27	
				31.03.20			2,347,310	13.27	
		2,347,310	13.27						
3	Mr. Kaushal R. Patvi Company Secretary & Compliance Officer	0	0.00	01.04.19	0	Nil movement			
		0	0.00	31.03.20	0	during the year	0	0.00	

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	(Rs. in millions) Total Indebtedness
Indebtness at the beginning of the financial year			
i) Principal Amount	1,044.75	-	1,044.75
ii) Interest due but not paid	2.76	-	2.76
iii) Interest accrued but not due			
Total (i+ii+iii)	1,047.51	-	1,047.51
Change in Indebtedness during the financial year			
Additions	203.97	39.57	243.54
Reduction	118.68	11.51	130.19
Net Change	85.29	28.06	113.35
Indebtedness at the end of the financial year			
i) Principal Amount	1,130.04	28.06	1,158.10
ii) Interest due but not paid	4.60	-	4.60
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	1,134.64	28.06	1,162.70



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl No.	PARTICULARS OF REMUNERATION	NAME OF THE MD/WTD/DIRECTOR			TOTAL
		Makrand. M. Appalwar	Rinku. M. Appalwar	Krishnan I. Subramanian	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	7,800,000	7,200,000	1,500,000	16,500,000
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961	39,600	39,600	-	79,200
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
Total (A)		7,839,600	7,239,600	1,500,000	16,579,200

B. Remuneration to other directors:

SI No.	PARTICULARS OF REMUNERATION	NAME OF THE DIRECTORS			TOTAL AMOUNT (Rs.)
		Prashant K Lohiya	Rama A Ksirhnan	Venkatesh G. Joshi	
1	Independent Directors				
(a)	Fee for attending board/ committee meetings	1,18,000	1,18,000	59,000	2,95,000
(b)	Commission	—	—	—	—
(c)	Others, please specify	—	—	—	—
	Total (1)				
2	Other Non Executive Directors				
(a)	Fee for attending board/ committee meetings	—	—	—	—
(b)	Commission	—	—	—	—
(c)	Others, please specify	—	—	—	—
	Total (2)	—	—	—	—
	Total (B)=(1+2)	1,18,000	1,18,000	59,000	2,95,000
	Total Managerial Remuneration*(A+B)				16,874,200

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

C. Remuneration to key managerial personnel other than MD/Manager/WTD

SI No.	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL			TOTAL AMOUNT (Rs.)
		Managing Director (Makrand M Appalwar)	Chief Financial Officer (Rinku M Appalwar)	Company Secretary (Kaushal R. Patvi)	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	7,800,000	7,200,000	1,335,597	16,335,597
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961	39,600	39,600	-	79,200
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	7,839,600	7,239,600	1,335,597	16,414,797

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY/ PUNISHMENT COMPOUNDING FEES IMPOSED	AUTHORITY (RD/NCLT/COURT)	APPEAL MADE IF ANY (GIVE DETAILS)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

ANNEXURE 2 TO THE DIRECTORS' REPORT

Risk Management

Business Risk

Unforeseen factors, be it related to industry, regulations, and/or the economy could affect business in an adverse manner, that could lead to impairment to income and capital. Also in a capital-intensive industry, any downward swings in revenues could be detrimental to earnings.

Emmbi is not in an industry that is overtly exposed to governmental regulations, and the fact that we have been profitable since inception and is a regular dividend payer mitigates the business risk to a large extent. Our capacity utilisation taking into account the expansion to 27,440 mtpa stands at 76%. We have used a mix of 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 its 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.

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. 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 57 countries across 40 products. No single client contributes to more than 5% of total revenues. We have strategically reduced our dependence on low margin products.

Single Geography Risk

Emmbi exports to over 57 countries, and is not exposed to a single market or its vagaries.

Foreign Exchange Risk

Emmbi has an internal policy to hedge 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 international 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 analyses, how it can impact the whole organisation. Also, Emmbi is accredited as an in-house R&D Centre by Department of Scientific and Industrial Research, Ministry of Science & Technology, Government of India.

Pandemic and Unforeseen Events

Whilst there are events, whose probability of occurrence may be very-low, however the impact can be very-severe, threaten disruptions to both earnings, and capital. Emmbi ensures that in case of such a rarity, it's prudent way of decision making, policies, financial resources, flexible manufacturing, and experience of the Management, makes it on a better footing to handle such events.

ANNEXURE 3 TO DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2020

[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
Silvassa

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by EMMBI INDUSTRIES LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the EMMBI INDUSTRIES LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 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');
- (vi) As per Management representation letter following are laws applicable to Company:
 - (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, 2009; There were no further issue of securities during the year under review.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; There were no ESOPS issued during the year under review.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; 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, 2009; 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, 1998; There were no Buy Back of its Equity shares during the year under review
- (vi) As per Management representation letter following are laws applicable to Company:
 - (a) Applicable state and local municipal laws;
 - (b) Applicable state and local labour laws;
 - (c) Applicable Intellectual Property laws;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2);
- (ii) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above

I further report 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.

Further we have to state that we have not carried out the Physical Inspection of any records maintained by the Company due to prevailing conditions of COVID 2019 prevailing in the country. We have relied on the records as made available by the Company by digital mode and also on the Management Representation Letter issued by the Company. 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.

For SANJAY DHOLAKIA & ASSOCIATES
(SANJAY R DHOLAKIA)
Practising Company Secretary
Proprietor
Date: 18th June, 2020
Place: Mumbai
Membership No. 2655/ CP No. 1798
UDIN F002655B000352719

Annexure A

To,
 The Members,
 EMMBI INDUSTRIES LIMITED
 Silvassa.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the

- practices and processes I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
 4. Where ever required, I have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
 6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SANJAY DHOLAKIA & ASSOCIATES

(SANJAY R DHOLAKIA)
Practising Company Secretary
Proprietor
Membership No. 2655 /CP No. 1798

Date: 18th June, 2020
Place: Mumbai
UDIN: F002655B000352719

ANNEXURE-4 TO DIRECTOR'S REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of The Companies Act, 2013 and Rule 9 of The Companies (Corporate Social Responsibility) Rules, 2014]

- | | | |
|---|--|---|
| 1 | A brief outline of the Company's CSR Policy, including overview of Projects or Programs proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects | The Company has framed a CSR Policy in compliance with the Provisions of Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is https://emmbi.com/wp-content/uploads/2019/08/Emmbi-CSR-Policy.pdf |
| 2 | The Composition of the CSR Committee | Dr. Venkatesh Joshi, Chairman of Committee
Mr. Prashant Lohiya, Member of Committee
Mr. Rama Krishnan, Member of Committee
Mrs. Rinku Appalwar, Member of Committee |
| 3 | Average Net Profit of the Company for last three financial years: Average Net Profit | Rs. 205,463,898 |
| 4 | Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) | Rs. 4,109,280 |
| 5 | Details of CSR spent during the financial year:
a) Total amount to be spent for the financial year;
b) Amount unspent, if any;
c) Manner in which the amount spent during the financial year is detailed below: | The Company has spent Rs. 12,53,123
Rs. 28,56,157

Details given below |

DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2019-20

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs: 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) Project or programs wise	(6) Amount spent on the projects or programs Sub-heads 1) Direct expenditure on projects or programs 2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency
1	Healthcare Programme- Providing free Medical Treatment	Promoting healthcare including preventive health care	Silvassa	76,000	50,000	50,000	# Implementing Agency: Emmbi Foundation

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs: 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) Project or programs wise	(6) Amount spent on the projects or programs Sub-heads 1) Direct expenditure on projects or programs 2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency
2.	Providing Scholarships to school children	Promoting Education	Maharashtra	10,000	7,450	7,450	
3	Healthcare Programme- Providing free medical treatment	Promoting healthcare including preventive health care	Maharashtra	7,00,000	5,98,673	5,98,673	
4.	Promoting women empowerment	Promoting women empowerment	Maharashtra	40,000	31,000	31,000	
5.	Promoting Education	Promoting Education	Maharashtra	75,000	66,000	66,000	
6.	Health Programme providing free medical treatment	Promoting healthcare including preventive health care	Madhya Pradesh	2,25,000	2,00,000	2,00,000	
7.	Promoting Culture & Traditional Arts	Protection of national heritage, art & culture	Maharashtra	1,30,000	1,00,000	1,00,000	
8.	Healthcare Programme	Promoting healthcare including preventive health care	Maharashtra	2,50,000	2,00,000	2,00,000	

* Net Profit Before Tax has changed due to IND AS impact.

Emmbi Foundation is a Trust within the meaning of The Maharashtra Public Trust Act, 1950 and has a comprehensive approach towards development with an overall aim to create and support meaningful and innovative activities that address some of India's most pressing developmental challenges, with the aim of enabling lives, living and livelihood for a stronger and inclusive India.

6. The company has identified certain CSR projects and programs in the villages around Silvassa or in the area of its operation in retail sector on PAN India basis Company's foundation will focus on the development of awareness of water conservation, to make tobacco free environment in and around company's factories. We will implement this by involving with the local bodies and elected representatives, village communities, self-governing organizations and Government agencies.

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

Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company, is reproduced below: "The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company."

Place: Silvassa
Date: 18th June, 2020

(Makrand Appalwar)
Chairman & Managing Director
DIN: 00171950

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

Management Discussion and Analysis

Forward Looking Statements

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

Economy and Outlook

Global growth in 2019 was muted at 2.90%, a growth of 1.70% in advanced economies, and 2.90% in Emerging and Developing Economies. Global growth was again dominated by the US, and Emerging and Developing Asia; although growth in China, and India were much lower compared to the previous years, on account of a slowdown in consumption, structural changes in the system and un-resolved trade issues with the US. Whilst cyclical and structural changes in most economies played a role, this was accentuated by trade barriers, and uncertainty which led to lower investments across industry. The IMF pointed out that weaker spending on machinery, equipment, and consumer durable goods was an important factor to the global slow-down. Many central banks responded by both cutting rates and engaging in asset purchases. Emmbi's prominent export market, the US grew at 2.10%, whilst Europe at 1.20%

The Indian economy slowed down, and the growth for fiscal '19 was at 5.00%, levels. Slowing consumer demand, pace of pay increases lower compared to previous years, sluggish exports, lower than expected industrial production were one of the many factors. The governance issues in some of the NBFCs, and stressed assets in many Banks, had a direct effect on the sales of commercial vehicles, and automobiles which was also coming to grips with structural changes (advent of BS VI etc.). On the positive side, farm incomes, rural spending remained healthy, as was also higher production of fertilisers, cement (led by the government related infra projects), coal and steel production.

The outlook for both calendar '20 at a global level, and fiscal '21 from a domestic perspective, seems not only uncertain however laden with a lot of down-side risks. Whilst with the full lock-down in India, parts of Europe, and partial lock-down across most economies, has led to supply-side hurdles, and losses, we may over the next few quarters continue to witness demand-side destruction. The IMF predicts a (3.00%) contraction in the World Output, with the Advanced Economies contracting by almost (6.00%), and the emerging and developing economies by (1.00%); the only green-shoots in such a scenario are China, and India which are estimated to show marginal growths. However, these are estimates, and the actual assessment of damages to the economic, human and financial resources both tangible and intangible is likely to emerge only post lifting of the lock-down and re-setting the systems and perhaps ourselves to the changed circumstances. We can only be certain that both consumer and institutional spend would be geared towards essentials and necessities, with discretionary items taking a backseat. This would prompt both manufacturers, and service providers to adjust accordingly.

Emmbi has consciously been diversifying its business lines, geographies, clientele and more importantly made it's manufacturing more agile to suit the changing need of the post Covid-19 world. At this juncture, we can say with confidence that foremost on people's and government's minds, and agenda would be food safety, health safety, essential needs, and overall business safety. Emmbi is perfectly aligned in meeting this through its product lines - food and pharma grade polymers, water storage systems, crop protection, and packaging material for essential items.

Sector Performance

The world is witnessing an exponential growth in the usage and consumption of polymers. Production that used to range at 340 million tons p.a. in 2010 is expected to cross 550 tons by 2020, a compounded annual growth of 10%. The completely man-made nature of polymers makes innovation and creation of new materials and applications limitless. The Polymer sector in India is estimated at over \$75 billion, and this is expected to grow at upwards of 9% over



Planter Bag

the next five years. Despite being one of the world's largest economies, India lags in the consumption of polymers at just under 10kgs (World Average 30kgs).





There has been a perceptible up-tick in the past two years the government's emphasis on infrastructure, the manufacturing pick-up, and the emphasis on water conservation products, are the primary double-digit growth drivers in the medium term.

Impact of post Covid-19 world is yet to be studied on this sector. As large part of polymers are part of the essential class of the supply chain in the industry we have a feeling that the impact of the Covid-19 will be substantially lower on this sector than other sectors like Aviation or Hospitality.

Emmbi's Industries International and Domestic Business

Product Range

We are proud to state that we have over 40 individual products that cater to a client base of over 200, spread across 57 countries. The products are classified into four business segments – Speciality Packaging, Advance Composites, Water Conservation and Agro Polymers.

Segment	Share 2020	Share 2019	Product Applications
 Water Conservation	23.40%	19.23%	Transportation, Storage, Irrigation, Conservation, Harvesting of water.
 Advanced Composites	38.00%	44.60%	Human Safety, Transportation & Management of Hazardous Material, Protective films & Fabrics.
 Specialty Packaging	34.00%	32.97%	Chemicals, e-commerce, Oil & Water, Polymer Packaging.
 Agro Polymers	4.60%	3.20%	Yield Improvement in Agri & Dairy industry through Crop Protection Systems, Flexible Fermentation Storages, Radiation & Hailstorm Control, Weed management films, Fish & Shrimp cultivation, distribution of agri-related supply through a dedicated supply chain.

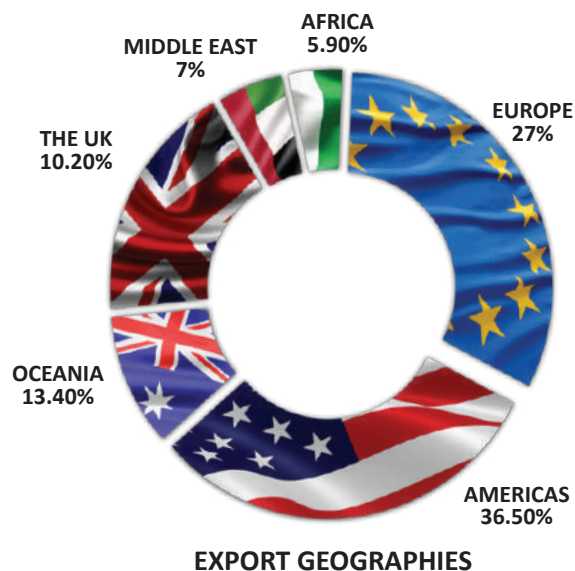


Tamper Evidence FIBC

International Business

Revenues from Exports stood at Rs. 1,439.38 million, notably across 57 countries with North America being the largest contributor, followed by Europe. In addition to diversification across geographies, Emmbi's clientele include a wide range of industries.

In the International Markets, our focus continues to be North America, on account of greater business prospects, the growth fundamentals, and the recognition of the Emmbi brand amongst marquee clients. The United States being a large market, and diversified clientele, our risks are mitigated. In the other economies, we restrict our exposure not more than 5% across each country, and below 4% per client.



Domestic Business

Domestic growth was dominated by water conservation, and Agro-polymer segments. The strategic move initiated in the earlier years, in terms of resource allocation to high margin products that began to pay-off in 2017, has since consolidated in the past two years, and 2020 showed significant growth.

Revenues for the coming fiscal, despite challenging circumstances and the rough weather ahead, is likely to be sustainable, on account of the salient factors:

1. A broad-based increase in the consumption of polymer products across Asia, including India.
2. Consumption Shift both in B2C, and B2B – be it polypropylene bags, or glass to polymer syringes, concrete lined canals to polymer, use of polymers in highways, etc.
3. Emmbi's innovation and long standing credibility with clients makes it a first choice provider for existing clients, and serves as a strong referral base.
4. The criticalness, the awareness, and the urgent need for water conservation products. 'Avana' has made a mark in a few states, and it's positioning and acceptability makes it an ideal candidate to be an engine for the growth.
5. The increased focus, thrust, and spending on food security, personal and community health wellness, and storage of essentials.
6. The Government's initiatives for improving farmer's incomes, and a greater thrust across rural India.

Retail Operations

The investment in both human capital, and brand identity has paid off handsomely with the higher margin B2C business contributing to higher margins of overall revenues. Avana, Emmbi's 'Strategic Business Unit' (SBU) which operates the B2C segment is now well entrenched in Maharashtra, Rajasthan, and has gained significant footholds in Madhya Pradesh, and Karnataka. In the next 18 months, this division should contribute to well over 25% of total revenues.

Emmbi's Operations

Plant Capacity and Utilisation

Plant capacity remained at 27,440 MT/ Annum, and Capex spend, was on routine maintenance. Industry 4.0 standards (IoT), and Robotic Process Automation (RPA) have increased operational efficiencies, improved product technicalities, and reduced wastage to a near zero levels.

Inventories Management

Emmbi's strategy of managing business in a non-speculative nature, translates down to its inventory management policies. We always make it a point to match the order pipeline to the inventory levels. Procurements of raw material is simultaneous to order booking, and that way neither the fluctuations in the prices of crude, and thereby its derivatives impact the income statement or capital in an adverse manner. More-over the relationship between crude

prices, and polymer prices is not entirely direct. The floor cost of polymers, irrespective of the prices of crude can be pegged around US \$ 950-1000- 1050 taking into account the fixed costs, and logistics. Finally, it is the many stage derivative Polypropylene that goes into our products, and the actual crude constitutes only under 15% of the total raw material component.

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

Record Earnings

We continued to impress both in terms of revenues, and earnings to shareholders. The company recorded an impressive top line growth in revenues to Rs. 3,331.40 million and a record profit of Rs. 186.64 million.

Quality and Adherence

We adhere to the latest international standards and believe in adapting the best practices in the industry, be it people, processes, quality of our products or internal systems. We are in the process of “Integrated Management System” (IMS) a customised combination of ISO 9001 & OSAHAS 18000 and ISO 14000. This is in addition to the certification of ISO 9001:2008 that your company possess.

People and Processes

We continue in investing and developing existing talent, and source human resources when needed. We continue to conduct workshops on both technical, and soft skills, with the help of internally created teams, and external experts. We have in place a ‘Whistle Blower’ policy keeping in check with the best practices (Detailed in the Corporate Governance Section).

Information Technology

All our plants across the five locations are integrated, and they in-turn communicate to the head offices, through various systems. We are one of the first to adopt Industry 4.0 standards that has led to process and operational improvements, and getting translated into financial savings.

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 helps us getting tangible benefits like tax breaks, excise and VAT benefits, preferred bidder for Government projects, etc. We also get invaluable intangible benefits such as 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.

For & On Behalf of the Board of Directors

Makrand Appalwar

Chairman & Managing Director
DIN: 00171950

Place: Silvassa

Date: 18th June, 2020

Looking Forward

While Emmbi has attained immense success in our legacy businesses, we also realize that the future of our company lies in building deep bonds with the end consumer, led by a strong and credible purpose. To this end, we set up the Avana division with the express objective of helping our farmers use water resources more efficiently and as a result, improve their incomes. Headed by Maithili Appalwar, an honors graduate from the prestigious Georgia Tech Institute in Atlanta, Georgia, Avana has begun to take small but sure steps to transform not just the lives of Indian farmers, but also become a significant growth engine for Emmbi's future.

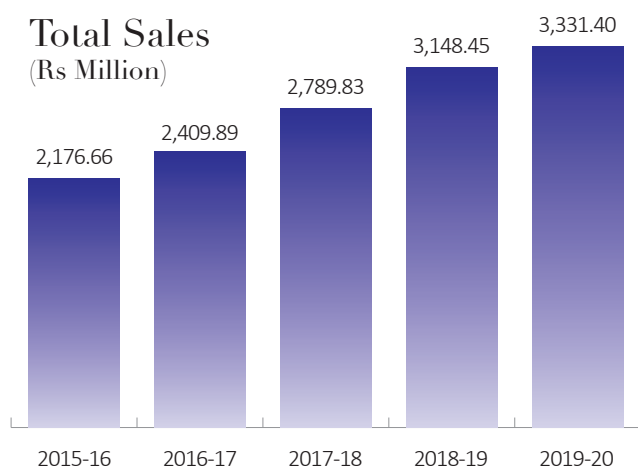
In the years gone by, the Avana division has moved on from strength to strength, and has successfully set up an enviable distribution network that serves our farmer brethren across a few states in India. Our R&D efforts have yielded positive results, and we have been able to consistently introduce a series of products that deliver significant benefits as compared to the competition, at a premium.

The products and services that Avana brings forth will help transform Emmbi into a well-recognized and respected brand that is looked up at, by the country.

Financial Performance

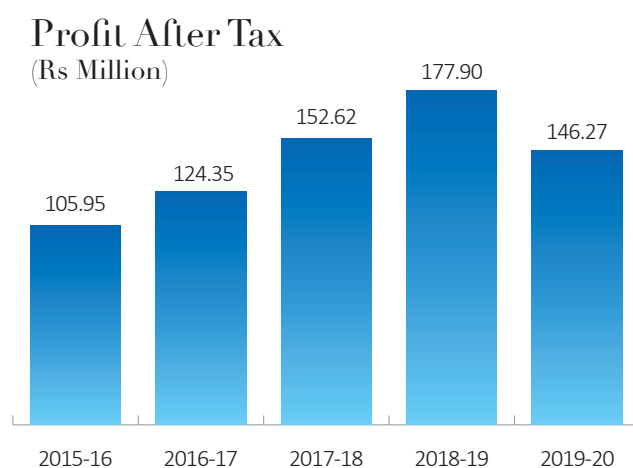
Total Sales

(Rs Million)



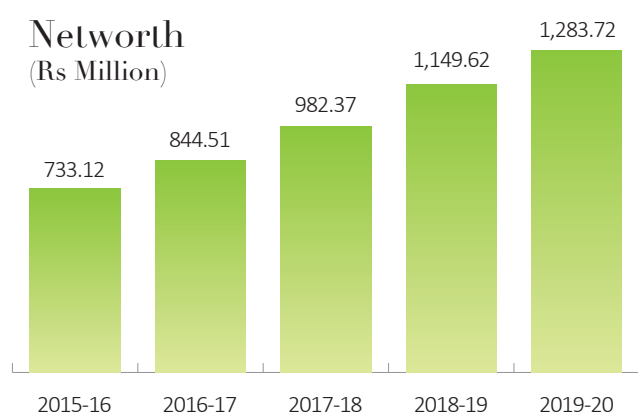
Profit After Tax

(Rs Million)



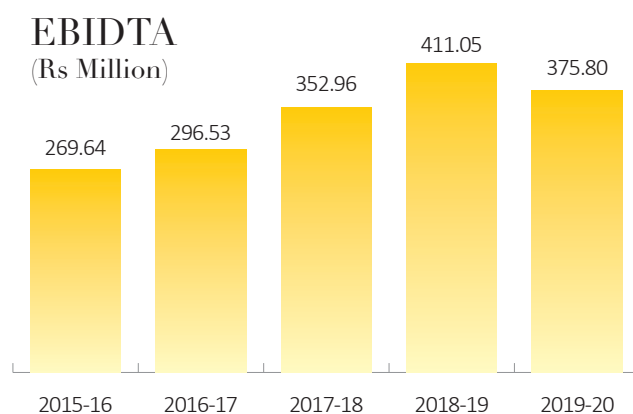
Networth

(Rs Million)



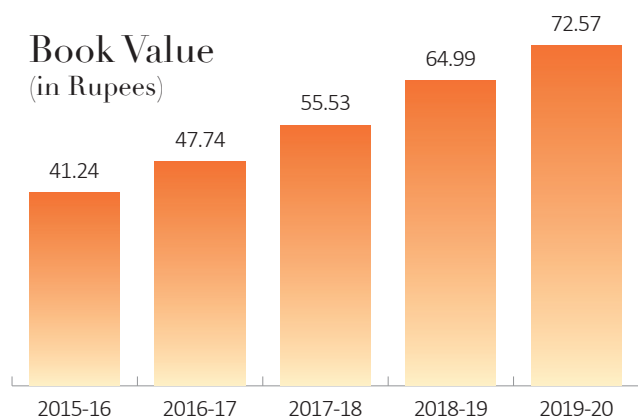
EBIDTA

(Rs Million)



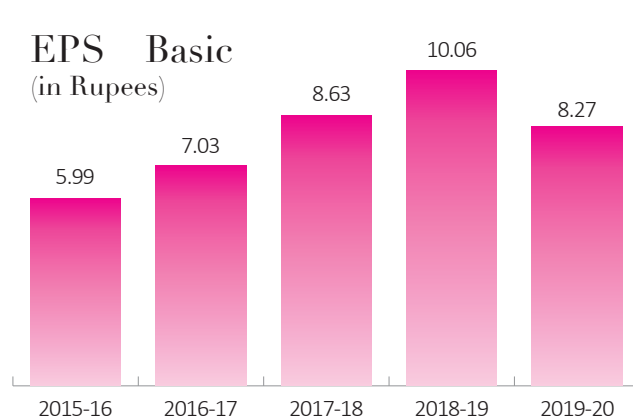
Book Value

(in Rupees)



EPS Basic

(in Rupees)

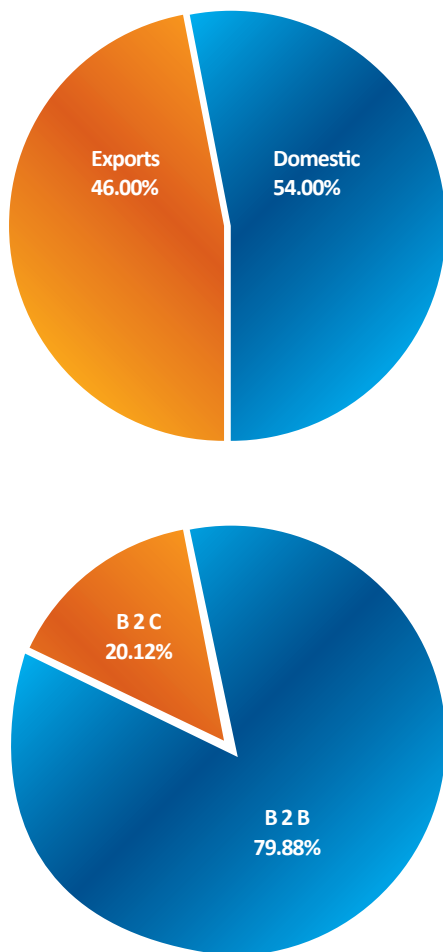


Analysis of Financial Performance

Revenue from Operations

The last quarter of the year is always crucial, with growth in normal times, surpassing preceding quarters. The pandemic out-break that spread across the world from January weighed heavily on the business, and operations. The Company lost crucial production times on account of the lock-down. Despite this, and the state of the economy there was a growth of 6%; a commendable, and comforting fact was there was an actual growth in volume terms.

Domestic sales accounted for 57% of revenues, whilst exports constituted the balance 43%. Emmbi's strategy has been to focus on margin accretion, over volume accumulation and we continue to grow this way, despite the changing landscape.



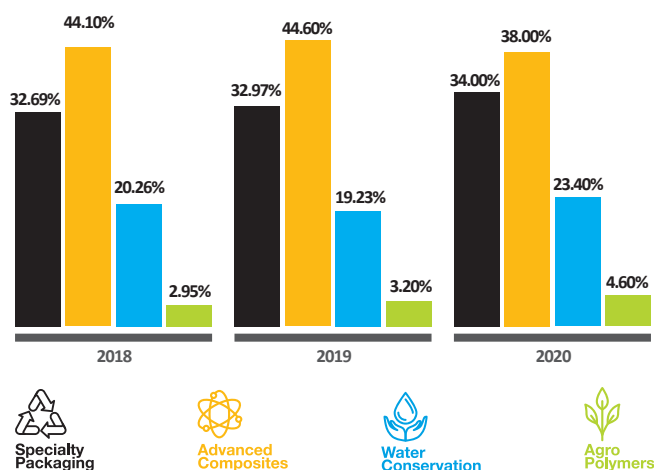
Cost of Operations

Overall cost of operations inched up to 80% an increase of only 112 basis points despite a productivity loss of 11% during the last month of fiscal'21 on account of the complete lock-down, imposed by statutory authorities. The fungibility, and flexibility of the factory, and the production lines, helped it to contain cost over-runs (and at the time of this report, production is graduating to normalcy levels). Constantly engaging with and improving upon production techniques including - Robotic Process Automation (RPA), Industry 4.0, and Kaizen also helped in ensuring that there were no catastrophic setbacks either financially or operationally.

Cost of Finance

Finance costs stood at Rs. 119.42 million, on account of incremental working capital and term loan usage. Interest coverage ratio remained a healthy 3.13x and Emmbi's ratings remain investment grade. Depreciation and amortisation expenses stood at Rs. 70 million.

Emmbi revenues by division



Profits and Distribution

Emmbi Industries reported an after-tax profit of Rs. 146 Million; Profits would have been higher if there would have not been a withdrawal of export incentive scheme. The Company's liquidity, and financial position continued to remain strong, with both un-utilised lines of credit, as well as healthy cash balances. The company declared a dividend of Re. 0.40 per equity share.

Balance Sheet Items

Emmbi prides itself in growing conservatively, with minimum risks to shareholders, and its stakeholders. Such a culture always holds good in the long-run, and especially good in challenging times.

Assets and Deployment

Total Assets for the year stood at Rs. 2,985 million (Rs. 2,726 million), the 10% growth on account of core assets, required for business operations and increase in capacity. The new capacity stood at 27,440 mtpa (25,040 mtpa).

Current Assets

Inventories at the year-end stood at Rs. 787 million a marginal increase due to stock piling of both raw materials, and finished goods because of lock-down due to COVID Pandemic.

Cash in hand remained at the same levels at Rs. 37 million. Receivables stood at Rs. 520 million.

Capital and Borrowings

The growth was financed through a mix of internal accruals, additional term borrowings, and working capital. Debt-Equity was conservative at 0.90x, and the current ratio at a healthy 1.39x.

Total net worth increased to Rs. 1,284 million whilst overall bank borrowings stood at Rs. 1,158 million. In the course of the year the company repaid its obligations.

Corporate Governance Report



I. Company's philosophy on Corporate Governance

Corporate governance seeks to raise the standards of corporate management, strengthen the Board systems, significantly increase its effectiveness and ultimately serve the objective of maximizing the shareholders' value. Corporate Governance ensures fairness, transparency and integrity of the management.

The Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, government, suppliers, dealers, customers, etc. and accordingly lays great emphasis on regulatory compliances. 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.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations") is given herein below.

II. BOARD OF DIRECTORS

The composition of the Board of your Company is in conformity with the Listing Regulations. The Directors take active part at the Board and Committee Meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, policy direction, governance, compliance, etc. and play critical role on strategic issues and add value in the decision making process of the Board of Directors. The Board's actions and decisions are aligned with the Company's best interests.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/ disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management.

During the year under review, no Independent Director of the Company resigned before the expiry of their tenure.

A declaration on confirmation of compliance of the Code of Conduct, signed by the Company's Chairman and Managing Director is published in this Report.

I. COMPOSITION OF THE BOARD:

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Non-Executive Directors are professionals with specialization in their respective fields and have required experience, skills and technical expertise. The composition of the Board is in conformity with the requirements of the listing regulations.

CORE SKILLS / EXPERTISE / COMPETENCIES AVAILABLE WITH 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:

Category	Name of Directors	Expertise in specific functional area
Promoter Executive Directors	Mr. Makrand M. Appalwar Chairman & Managing Director (DIN: 00171950)	Leadership, Strategic Planning, Marketing, Branding, Research & Development and Innovation, Risk Management and Corporate Governance.
	Mrs. Rinku M. Appalwar Executive Director & Chief Financial Officer (DIN: 00171976)	Leadership, Strategic Planning, Accounts, Finance, Banking, Compliance & Legal, Risk Management, Logistics, Production and Procurement.
Non Promoter and Executive Directors	Mr. Krishnan I. Subramanian Whole time Director (DIN: 06614842)	Leadership, Strategic Planning, Risk Management, Private Equity and M&As.
Non-Executive and Independent Directors	Mr. Rama A. Krishnan (CS) (DIN: 00546256)	Leadership, Strategic Planning, Company law, Corporate Governance and Risk Management. Governance and Securities Law.
	Mr. Prashant K. Lohiya (CA) (DIN: 02990858)	Leadership, Strategic Planning, Risk Management, Accounts, Auditing, Taxation, Finance and Management Consulting.
	Dr. Venkatesh G. Joshi (DIN: 01234871)	Leadership, Strategic Planning, Risk Management, Medicine, Ayurveda and Medical Research.

Mrs. Rinku M. Appalwar is the spouse of Mr. Makrand M. Appalwar.
None of the other directors are related to any other director on the Board.

2. BOARD PROCEDURES:

The Company follows a structured process of decision-making by the Board and its Committees. Detailed agenda supported by explanatory statements, notes and presentations, if any, are circulated well in advance to the Board members is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). Video conferencing facilities are provided to enable Directors to participate in the Meetings of the Board and of Committees, who are unable to attend the meetings in person, to participate in the meeting via video conferencing.

In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the subsequent Board meeting for noting. The Board is also free to recommend inclusion of any matter in the agenda for discussion. Apart from the Board of Directors, the Company Secretary & Compliance Officer and the Chief Financial Officer are invited to attend all the Board meetings. Senior management officials are called to provide additional inputs on the matters being discussed by the Board/ Committee. The Board has complete access to all relevant information of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Chairman and Managing Director apprises the Board at every Meeting of the overall performance of your Company.

The Board oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

3. MEETINGS OF THE BOARD OF DIRECTORS:

During the year 1st April, 2019 to 31st March, 2020, Four Board Meetings were held on the following dates- 24th May, 2019, 13th August, 2019, 13th November, 2019 and 12th February, 2020.

The Board met at least once in every calendar quarter and the gap between two Meetings did not exceed one hundred and twenty days. These Meetings were well attended by the Directors of the Company.

4. ATTENDANCE OF THE DIRECTORS AT MEETINGS OF THE BOARD AND AT THE ANNUAL GENERAL MEETING

Sr. No	Name of the Board Member	No. of Board Meetings attended during the financial year 2019-2020	Attendance in AGM held on 25th Sept, 2019	No. of directorships in other Public Limited Companies	No of Board Committees in which Chairman/Member#	Chairman	Member
1	Mr. Makrand M. Appalwar	4	Yes	Nil	Nil	Nil	Nil
2	Mrs. Rinku M. Appalwar	4	Yes	Nil	Nil	Nil	Nil
3	Mr. Krishnan I. Subramanian	4	Yes	Nil	Nil	Nil	Nil
4	Dr. Venkatesh G. Joshi	2	Yes	Nil	Nil	Nil	Nil
5	Mr. Prashant K. Lohiya	4	Yes	Nil	Nil	Nil	Nil
6	Mr. Rama A. Krishnan	4	Yes	Nil	Nil	Nil	Nil

Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationship Committee in all Indian Public Limited Companies other than Emmbi Industries Limited have been considered.

None of the Directors hold Directorship in more than the permissible number of Companies under the relevant provision. Further, none of the Directors on the Board is a member of Ten Committees or Chairman of more than Five Committees.

5. BOARD CONFIRMATION REGARDING INDEPENDENCE OF THE INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given their respective declaration/disclosures under section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further, the Board after taking these declaration/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

6. 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 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 Companies Act, Listing Regulations, Taxation and other matters, Presentations on Internal Control over Financial Reporting, Operational Control over Financial Reporting, Prevention of Insider Trading Regulations, Listing Regulations, Framework for Related Party Transactions, Meeting with Senior Executive(s) of your Company, etc. 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 various 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.

7. SEPARATE MEETINGS OF INDEPENDENT DIRECTORS

The Independent Directors of your Company meet before the Board Meeting without the presence of the Chairman and Managing Director, Executive Director, Whole-Time Director other Non-Independent Director(s) or any other Management Personnel. These Meetings are conducted in a flexible manner to enable the Independent Directors to, inter alia, discuss matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole, review the performance of the Chairman and Managing Director of the Company, assess 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.

One Meeting of Independent Directors was held during the year and the Meeting was well attended by the Independent Directors.

8. DIRECTOR(S) SEEKING APPOINTMENT/ RE-APPOINTMENT

Retirement by rotation

In accordance with the provisions of the Companies Act, 2013, Mrs. Rinku M. Appalwar (DIN 00171976), Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers herself for 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 12th February, 2020 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 March 31, 2020 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 12th February, 2020 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 March 31, 2020 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.

Re-Appointment of Independent Directors for a Second Term

The Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Directors and taking into account the external business environment, the business knowledge, acumen, experience and the substantial contribution made by Mr. Prashant K. Lohiya and Dr. Venkatesh G. Joshi during their tenure, has recommended to the Board that continued association of Mr. Prashant K. Lohiya and Dr. Venkatesh G. Joshi as Independent Directors would be beneficial to the Company. Based on the above and the performance evaluation of Independent Directors, the Board recommends re-appointment of:

- (i) Mr. Prashant K. Lohiya for a further period five consecutive years commencing from 31st March, 2020 to 30th March, 2025 and
- (ii) Dr. Venkatesh G. Joshi for a further period of five consecutive years commencing from 31st March, 2020 to 30th March, 2025

to hold office as Independent Directors of the Company, not liable to retire by rotation on the Board of the Company.

9. CODE OF CONDUCT

The Board of your Company has laid down Code of Conduct ("Codes"), one for all the Board Members and Senior Management Personnel of the Company. The Code has been posted on the website of your Company at the web link: www.emmbi.com. All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. A declaration signed by the Managing Director to this effect is enclosed at the end of this Report.

10. CEO/CFO CERTIFICATION

The Chairman & Managing Director and Chief Financial Officer of the Company jointly give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations.

11. 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 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 Board of Directors expressed their satisfaction with the entire evaluation procedure.

III. COMMITTEES OF THE BOARD

The Company has constituted Five committees of the Board of Directors viz. Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Committee of Directors. The committees have a combination of Executive, Non-Executive & Independent Directors. All the Board committees constitute an important element of the governance process. These Board Committees play an important role in the in the governance, focus on specific areas and make 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, which provides for the composition, scope, powers & duties and responsibilities. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. The recommendations, observations and decisions of the Committees are placed before the Board for information and approval. During the year under review, all recommendations of the Committees were accepted by the Board.

1) AUDIT COMMITTEE

The Audit Committee assists the Board in its responsibility for overseeing the quality of the accounting, auditing and reporting practices of the Company and its compliances with the legal and regulatory requirements.

a) Present Composition and Attendance of the Audit committee :

Member of the Committee	No. of meetings held	No. of meetings attended
Mr. Prashant Lohiya Independent Non-Executive Director Chairman of the Committee	4	4
Dr. Venkatesh Joshi Independent Non-Executive Director Member of the Committee	4	2
Mr. Rama Krishnan Independent Non-Executive Director Member of the Committee	4	4
Mrs. Rinku Appalwar CFO & Executive Director Member of the Committee	4	4



The composition of the Audit Committee meets with requirements of Section 177 of the Companies Act, 2013 and the Listing Regulations. The terms of reference of the Audit Committee cover all the areas mentioned under Listing Regulations and section 177 of the Companies Act, 2013. Members of the Audit Committee possess requisite qualifications and expertise. The Company Secretary is the Secretary to the Committee.

The representatives of Statutory Auditors are permanent invitees to the Audit Committee meetings held quarterly, to approve financial statements. The representatives of Statutory Auditors, Executives from Accounts department, Finance department, Corporate Secretarial department and Internal Audit department attend the Audit Committee meetings.

During the year, all the recommendations made by the Committee were accepted by the Board. The Internal Auditor reports directly to the Audit Committee.

As required under the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him on his behalf shall attend the General Meeting of the Company. The Chairman of the Audit Committee Mr. Prashant Lohiya was present at the previous Annual General Meeting held on 25th September, 2019.

b) Meetings Held

The Audit Committee met 4 (four) times on the following dates during the financial year 2019-2020.

24th May, 2019
13th August, 2019
13th November, 2019
12th February, 2020

c) Terms of Reference of the Audit Committee, inter alia, include the following:

The terms of reference of the Audit Committee are aligned with the Listing Regulations and the Act as well as the provisions of Section 177 of the Companies Act, 2013.

The Audit Committee has powers;

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of Reference of the Audit Committee, inter alia, include the 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;
- Recommending the appointment, remuneration and terms of appointment of statutory auditors, internal auditors, cost auditors and secretarial auditors of the Company;
- Approving payment to statutory auditors, internal auditors, cost auditors, secretarial auditors for any other services rendered by them;
- Reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgement by the management;
 - Significant adjustments made in financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions; and
 - Qualifications in draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Monitoring and 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 utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation 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 auditors independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;

- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of 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 thereon;
- 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, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Vigil Mechanism and Whistle Blower mechanism;
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate;
- Reviewing the following information:
 - Management discussion and analysis of financial condition and result operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s).
- statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of Listing Regulations.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

2. NOMINATION & REMUNERATION COMMITTEE

a) Present Composition and Attendance of the Nomination & Remuneration committee:

Member of the Committee	No. of meetings held	No. of meetings attended
Mr. Prashant Lohiya Independent Non-Executive Director Chairman of the Committee	1	1
Dr. Venkatesh Joshi Independent Non-Executive Director Member of the Committee	1	1
Mr. Rama Krishnan Independent Non-Executive Director Member of the Committee	1	1

The Committee has been vested with the authority to, inter alia, recommend nominations for Board Membership, develop and recommend policies with respect to composition of the Board commensurate with the size, nature of the business and operations of the Company, establish criteria for selection to the Board with respect to the competencies, qualifications, experience, track record, integrity, establish Director retirement policies and appropriate succession plans and determine overall compensation policies of the Company.

As per section 178(7) of the Act and Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Nomination & Remuneration Committee Mr. Prashant Lohiya was present at the previous Annual General Meeting held on 25th September, 2019.

b) Meetings Held

The Nomination & Remuneration Committee met 1 (one) times on the following dates during the financial year 2019-2020.
12th February, 2020

c) Terms of Reference of the Nomination & Remuneration Committee, inter alia, include the following:

- To recommend and review market practices and deciding on remuneration packages applicable to the Chairman, Managing Director, the Executive Director(s), Presidents and other Members of Senior Management as may be decided from time to time (including the Chief Financial Officer, Chief Executive Officer and Company Secretary).
- To recommend and review on the sitting fees to be paid to the Non-Executive Directors and Independent Directors for attending the Board Meetings and Committee Meetings.
- To help in determining the appropriate size, diversity and composition of the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- formulation of criteria for evaluation of performance of independent directors and the board of directors.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To assist in developing a succession plan for the Board.
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has constituted a Stakeholders' Relationship Committee of Directors primarily to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend, notices, annual reports, subdivision/consolidation of share certificates, transmission of shares, issue of duplicate share certificates, dematerialization/rematerialisation of shares.



a) Present Composition and Attendance of the Stakeholders' Relationship Committee:

Member of the committee	No. of meetings held	No. of meetings attended
Mr. Prashant Lohiya Independent Non-Executive Director Chairman of the Committee	4	4
Dr. Venkatesh Joshi Independent Non-Executive Director Member of the Committee	4	2
Mr. Rama Krishnan Independent Non-Executive Director Member of the Committee	4	4
Mrs. Rinku Appalwar CFO & Executive Director Member of the Committee	4	4

The Stakeholders' Relationship Committee's composition and the terms of reference meet with the requirements of the Listing Regulations and provisions of the Companies Act, 2013.

As per section 178(7) of the Act and the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Stakeholders' Relationship Committee Mr. Prashant Lohiya was present at the previous Annual General Meeting held on 25th September, 2019.

b) Meetings Held

The Stakeholders' Relationship Committee met 4 (four) times on the following dates during the financial year 2019-2020.

24th May, 2019

13th August, 2019

13th November, 2019

12th February, 2020

As required by Securities and Exchange Board of India (SEBI), Mr. Kaushal Patvi, Company Secretary and Compliance Officer of the Company, is the Compliance Officer and for any clarification/complaint, the shareholders may contact Mr. Kaushal Patvi, Company Secretary and Compliance Officer of the Company at investor.grievances@emmbi.com.

c) Terms of Reference of the Stakeholders' Relationship Committee, inter alia, include the following:

- To look into redressal of investors' complaints and requests such as transfer of shares/debentures, non-receipt of dividend, notices, annual report, etc.
- To approve allotment, transfer, transmission, consolidation, split, name deletion and issue of duplicate share certificate of equity shares of the Company;
- To redress shareholder and depositor complaints like non-receipt of Balance Sheet, non-receipt of dividend warrants etc.;
- To address all matters pertaining to Depositories for dematerialization of shares of the Company and other matters connected therewith.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitoring expeditious redressal of investors / stakeholders grievances.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

Status of Investor Complaints as on March 31, 2020 and reported under Regulation 13 of the Listing Regulations are as under:

Complaints as on April 01, 2019	Nil
Received during the year	1
Resolved during the year	1
Pending as on March 31, 2020	Nil

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a) Present Composition and Attendance of Corporate Social Responsibility Committee:

Member of the committee	No. of meetings held	No. of meetings attended
Dr. Venkatesh Joshi Independent Non-Executive Director Chairman of the Committee	1	1
Mr. Prashant Lohiya Independent Non-Executive Director Member of the Committee	1	1
Mr. Rama Krishnan Independent Non-Executive Director Member of the Committee	1	1
Mrs. Rinku Appalwar CFO & Executive Director Member of the Committee	1	1

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

The CSR Policy for your Company is available on the website of the Company at the web link: www.emmbi.com.



b) Meetings Held

The Corporate Social Responsibility Committee met 1 (one) time on 24th May, 2019 during the financial year 2019-2020.

c) Terms of Reference of the Corporate Social Responsibility Committee, inter alia, include the following:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress;
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

5. COMMITTEE OF DIRECTORS COMMITTEE

The Company has constituted a Committee of Directors to handle the day to day business of the Company.

Terms of Reference of the Committee of Directors, inter alia, include the following:

The Board of Directors have constituted a Committee of Directors and delegated powers to transact certain regular matters relating to the business of the Company. The Committee of Directors is authorised 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, VAT, 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 Companies Act, 2013, 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.

IV. REMUNERATION TO DIRECTORS**a. Remuneration to Executive Directors of the Company:**

The Nomination and Remuneration Committee recommends to the Board of Directors, the remuneration of the Chairman & Managing Director and Executive Director & Chief Financial Officer by way of salary, allowances, perquisites and benefits.

	Name of the Director	Position	Remuneration	Service Contract	Notice Period
1	Mr. Makrand Appalwar	Chairman and Managing Director	* Rs. 7,839,600 p.a.	Reappointed for 5 years w.e.f. 30th March, 2020	6 months
2	Mrs. Rinku Appalwar	Executive Director Director & CFO	* Rs. 7,239,600 p.a.	Reappointed for 5 years w.e.f. 30th March, 2020	6 months

* Break up of remuneration paid /payable to Mr. Makrand Appalwar is as under:

Sr. No.	Particulars	2019-2020 (Rs.)
1	Salaries, Allowances and Perquisites#	7,839,600
2	Contribution to Provident and other funds	Nil
3	Performance Bonus	Nil
4	Stock Option	Nil
5	Pension	Nil
	Total	7,839,600

* Break up of remuneration paid /payable to Mrs. Rinku Appalwar is as under:

Sr. No.	Particulars	2019-2020 (Rs.)
1	Salaries, Allowances and Perquisites#	7,239,600
2	Contribution to Provident and other funds	Nil
3	Performance Bonus	Nil
4	Stock Option	Nil
5	Pension	Nil
	Total	7,239,600

Excludes leave encashment and gratuity which is based on actuarial valuation provided on an overall Company basis.

b) Remuneration to Non-Executive and Non-Executive & Independent Directors of the Company:

The details of sitting fees paid during the year ended 31st March, 2020 are given below:

Sr. No.	Name of Director	Sitting Fees Paid (Rs.)
1	Mr. Prashant Lohiya	Rs. 1,18,000
2	Mr. Rama Krishnan	Rs. 1,18,000
3	Dr. Venkatesh Joshi	Rs. 59,000
	TOTAL	Rs. 2,95,000

c) Details of Equity Shares held by Non-Executive Directors as on March 31, 2020:

Name of the Director	Position	No. of Equity Shares held	% of Paid-Up Capital
Mr. Prashant K. Lohiya	Independent Non-Executive, Director	6,250	0.035
Dr. Venkatesh G. Joshi	Independent Non-Executive, Director	—	—
Mr. Rama A. Krishnan	Independent Non-Executive, Director	—	—



V. SUBSIDIARY COMPANIES

The company does not have any subsidiary company.

The Company has formulated the Material Subsidiary policy as required under the Listing Regulations and uploaded on the website of the Company www.emmbi.com.

VI. OTHER DISCLOSURES

1. RELATED PARTY TRANSACTIONS

During the financial year 2019-2020 there were no materially significant transactions entered into between the Company and its promoters, directors or the management, or relatives, etc. that may have potential conflict with the interests of the Company at large.

All contracts / arrangements / 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.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with the Related Party Transactions pursuant to the provisions of the Companies Act, 2013 and listing regulations with the stock exchanges. The same is available on the website of the Company www.emmbi.com.

2. FOREIGN EXCHANGE RISK

Emmbi has a documented 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.

3. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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.

4. NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Certificate from M/s. Sanjay Dholakia & Associates, Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34(3) of the Listing Regulations, is attached to this Report.

5. 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 SEBI Listing Regulations.

6. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI, MCA or other statutory authorities relating to the above.

7. WHISTLE BLOWER POLICY

The Vigil Mechanism as envisaged in the Act and the Rules prescribed thereunder and the Listing Regulations is implemented through the Whistleblower Policy. This Policy provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.

As such the Whistleblower Policy provides for protected disclosure and protection to the Whistleblower. Under the Vigil Mechanism, all Stakeholders have been provided access to the Audit Committee through the Chairperson. No personnel has been denied access to the Audit Committee. All Employees, Directors, Vendors, Suppliers or other Stakeholders associated with the Company can make the Protected Disclosure through mechanism as prescribed in the Whistleblower Policy.

The Whistleblower Policy of the Company is available on the website of the Company and can be accessed at the web link: www.emmbi.com.

8. NON-MANDATORY REQUIREMENTS

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to-time.

9. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' which inter alia includes 'Code of Conduct for Prevention of Insider Trading in Securities of Emmbi Industries Limited' in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations"). The Code of Conduct has been formulated to regulate, monitor and ensure reporting of trading by the Designated Persons and their immediate relatives towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. The Code lays down Guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

10. CODE OF CONDUCT

The Company is committed to conducting its business in conformity with ethical standards and applicable laws and regulations. This commitment stands evidenced by the Code of Conduct adopted by the Board of Directors which is applicable to each member of the Board of Directors and Senior Management of the Company. The Company has received confirmations from all the Directors and Senior Management of the Company regarding compliance with the said code for the financial year under review. A certificate from Mr. Makrand Appalwar, Managing Director to this effect forms part of this report. The said code is also available on the Company's website www.emmbi.com.

11. INVESTOR PRESENTATIONS MADE TO INSTITUTIONAL INVESTORS OR TO THE ANALYSTS

During the financial year 2019-2020 various investor presentations were made to the institutional investors or to the analysts. The said investor presentations are available on the Company website at www.emmbi.com.

12. DISCLOSURE OF ACCOUNTING TREATMENT

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.

13. RISK MANAGEMENT

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

14. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A).

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

15. ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to the SEBI circular no. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from M/s. Sanjay Dholakia & Associates, Practising Company Secretaries, confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and applicable to the Company. There are no observations or adverse remarks in the said report.

VII. MEANS OF COMMUNICATIONS

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations with the Stock Exchanges. The aforesaid financial results are sent to BSE Limited and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are thereafter published within forty-eight hours in leading English and Gujarati daily newspapers.
- The quarterly, half yearly and annual financial results are published in the following newspapers in the state of Gujarat as the Registered office of the Company is situated in Silvassa, U.T. of Dadra and Nagar Haveli.
- The Economic Times (English)
- The Economic Times (Gujarati)
- The financial results and shareholding pattern are also displayed on the Company's website: www.emmbi.com.
- The Annual Report of the Company containing, inter alia, Audited Financial Statement, Directors' Report, Management Discussion & Analysis, Auditor's Report, Board's Report and other important information is displayed on the Company's website www.emmbi.com.
- BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others are filed electronically on the Listing Centre.
- The NSE Electronic Application Processing System (NEAPS) is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others are filed electronically on the NEAPS.
- SEBI Complaints Redress System (SCORES) is centralized web based complaints redress system launched by Securities and Exchange Board of India (SEBI). This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. This would also enable the listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities starting from lodging of a complaint till its disposal by SEBI would be carried online in an automated environment and the status of every complaint can be viewed online at any time.

VIII. GENERAL SHAREHOLDER INFORMATION

1. GENERAL BODY MEETINGS

Annual General Meeting (AGM):

Financial Year	Date and Time	Whether any special resolution was passed	Location
2016-2017	22nd September, 2017 10.30 a.m.	No	99/2/1 & 9 Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa 396 230
2017-2018	24th September, 2018 10.30 a.m.	#Yes	99/2/1 & 9 Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa 396 230
2018-2019	25th September, 2019 10.30 a.m.	No	99/2/1 & 9 Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa 396 230

Details of Special Resolution

Appointment of Mr. Krishnan I. Subramanian as a Wholetime Director of the Company.

POSTAL BALLOT

During the year under review, the Company completed process of one postal ballot as per provisions of Section 110 of the Companies Act, 2013. Mr. Sanjay R. Dholakia, Practicing Company Secretary was appointed as Scrutinizer for conducting postal ballot in a fair and transparent manner. The voting was conducted through physical mode as well as electronic mode. The Company had engaged the services of CDSL to provide e-voting facility to its Members. The notice of postal ballot was accompanied with detailed instructions kit to enable the members to understand the procedure and manner in which postal ballot voting (including remote e-voting) to be carried out.

The following Resolution is deemed to have been passed on the last date of e-voting and receipt of Postal Ballot forms i.e. on Friday, 29th March, 2019. The aforesaid voting results along with the Scrutinizer's Report has been displayed on the website of the Company viz. www.emmbi.com. The Resolution was approved with requisite majority.

The details of resolution passed through Postal Ballot is as under:

Special Resolution: Consent for continuation of Mr. Rama Krishnan as an Independent Director of the Company from 1st April, 2019 till the completion of his present term (i.e. up to 30th March, 2023).

2. ENSUING ANNUAL GENERAL MEETING

Day, Date and Time: Saturday, 12th of September, 2020, at 10.30 am.

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

3. DIVIDEND PAYMENT DATE

On or before 12th October, 2020.

4. REPORTING OF UNAUDITED/AUDITED FINANCIAL RESULTS IN RESPECT OF FINANCIAL YEAR 2019-20 (TENTATIVE)

First quarter results	On or before 14th August, 2020
Second quarter results with half yearly results	On or before 14th November, 2020
Third quarter results	On or before 14th February, 2021
Fourth quarter results	On or before 30th May, 2021
Audited results for year ended on 31st March, 2020 -21	On or before 30th May, 2021
Annual General Meeting for the year 2020-21	On or before 30th September, 2021

5. FINANCIAL YEAR

1st April to 31st March.

6. BOOK CLOSURE DATES

Sunday, 6th September, 2020 to Saturday, 12th September, 2020 (both days inclusive).

7. DIVIDEND

Company has recommended Dividend @ Re. 0.40 per equity share for financial year 2019-2020, subject to approval of shareholders.

8. 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 undaimed for a period of seven years from the date of such transfer then such undaimed 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 undaimed/unpaid dividend are available on the website of the Company viz. www.emmbi.com.

Accordingly, an amount of Rs. 64,833.30/- being undaimed / unpaid dividend for FY11-12 and which remained unpaid and undaimed for a period of 7 years has been transferred by the Company to the IEPF.

Further, the undaimed / unpaid dividend amount pertaining to the FY12-13 will be transferred to IEPF during FY 20-21.

9. 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 Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules.

The Company has sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPFA to take immediate action in the matter. As required under the IEPF Rules, the Company has also published a Notice informing the Members' who have not claimed their dividend for a period of 7 years to claim the same from the Company before they are transferred to IEPFA.

Accordingly, the Company has transferred 4,426 shares to IEPF according to the General Circular No.12/2017 for which dividend is unpaid/undaimed for a period of 7 years.

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

10. LISTING OF SHARES

Sr. No.	Name	Address	Code	ISIN
1	BSE Limited	Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai -400001	533161	INE753K01015
2	National Stock Exchange of India Limited (NSE)	Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla complex, Bandra (East), Mumbai - 400051	EMMBI	INE753K01015

11. ANNUAL LISTING FEES TO STOCK EXCHANGES

Annual Listing Fee for the year 2020-21 has been paid by the Company to BSE and NSE.

12. ANNUAL CUSTODIAL FEES TO DEPOSITORIES

Annual Custody Fee for the year 2020-21 has been paid by the Company to NSDL and CDSL.

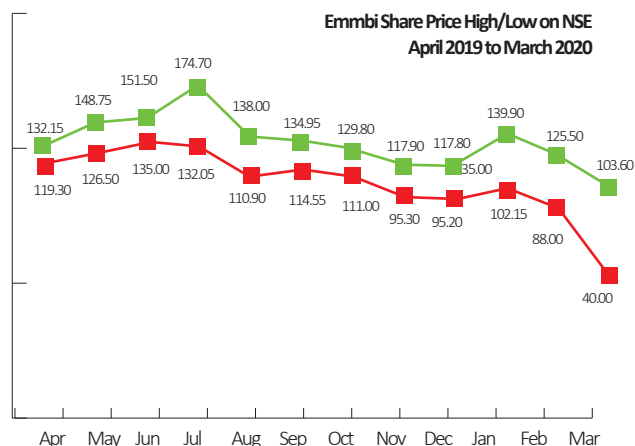
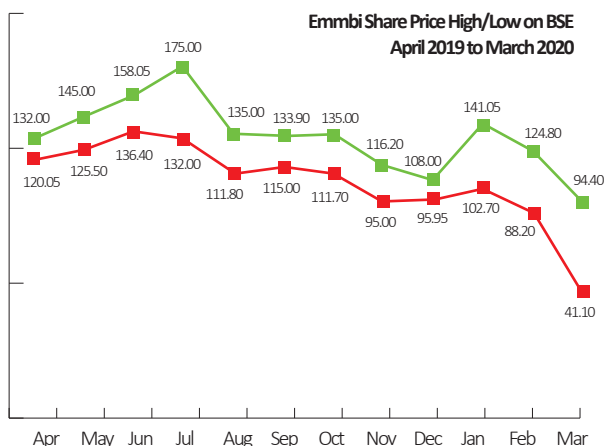
13. MARKET PRICE DATA

The performance of the stock in the BSE Limited & National Stock Exchange of India Limited (NSE) for the period of 12 months from April 1, 2019 to March 31, 2020 was as follows:

MONTH	BSE LIMITED (IN RUPEES)		NATIONAL STOCK EXCHANGE OF INDIA LIMITED (IN RUPEES)	
	High	Low	High	Low
April 2019	132.00	120.05	132.15	119.30
May 2019	145.00	125.50	148.75	126.50
June 2019	158.05	136.40	151.50	135.00
July 2019	175.00	132.00	174.70	132.05
August 2019	135.00	111.80	138.00	110.90
September 2019	133.90	115.00	134.95	114.55
October 2019	135.00	111.70	129.80	111.00
November 2019	116.20	95.00	117.90	95.30
December 2019	108.00	95.95	117.80	95.20
January 2020	141.05	102.70	139.90	102.15
February 2020	124.80	88.20	125.50	88.00
March 2020	94.40	41.10	103.60	40.00



14. STOCK PERFORMANCE OF EMMBI INDUSTRIES LIMITED



15. REGISTRAR & TRANSFER AGENT

Share Transfers in physical form can be lodged with the Company's Share Transfer Agents: M/s. Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited), having their office situated at Plot No. B-5, Part B Crosslane, MIDC, Andheri (East), Mumbai 400 093. Tel: 022 - 66712001-2010. Fax: 022 - 66712011. Email: investorsqry@datamaticsbpm.com

16. SHARE TRANSFER SYSTEM

Physical shares sent for transfer are duly transferred within 15 days of receipt of the documents, if they are complete in all respects. Shares under objection are returned within 7 working days. Share transfers in physical form can be lodged with Datamatics Financial Services Limited, Registrar & Transfer Agents (RTA) at the above mentioned address. The Stakeholders' Relationship Committee reviews the share transfers approved by the RTA, Company Secretary who have been delegated with requisite authority. All requests for dematerialisation of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. The Members holding shares in electronic mode should address all their correspondence to their respective Depository Participant (DP) regarding change of address, change of bank mandate and nomination. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40 of the Listing Regulations and files a copy of the said certificate with Stock Exchanges.

17. SECRETARIAL AUDIT

As stipulated by SEBI, a Qualified Practising Company Secretary carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms the total Listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

18. CATEGORIES OF SHARES AS ON 31ST MARCH, 2020

Category	No. of Shares Held	% of Share Holding
A. Promoter's Holding		
1. Promoters		
- Indian Promoters	10282971	58.13
- Foreign Promoters	00	0.00
2. Person Acting In Concern	00	0.00
Sub - Total	10282971	58.13
B. Non - Promoter's Holding		
3. Institutional Investors		
- Mutual Funds & UTI	00	0.00
- Banks, Financial Institutions, Insurance Cos.,	115	0.00
- Central/State Govt. Inst., Non-Govt. Inst.	00	0.00
- FIs	1222653	6.91
Sub - Total	1222768	6.91
4. Others		
- Corporate Bodies	1051676	5.94
- Indian Public	4325219	24.45
- NRIs / OCBs / FIs	789269	4.46
- Any other (Transfer to IEPF)	18347	0.10
Sub - Total	6184511	34.96
Grand - Total	17690250	100.00

19. DISTRIBUTION OF SHARES AS ON 31ST MARCH, 2020

2. DISTRIBUTION OF SHARES AS ON 31st March, 2024						
Sr No	Shares Range		Shares	% to Capital	No. of Holders	% to No. of Holders
1	1	500	983799	5.56	7242	80.45
2	501	1000	659411	3.73	841	9.34
3	1001	2000	690775	3.91	472	5.24
4	2001	3000	371525	2.10	151	1.68
5	3001	4000	254926	1.44	71	0.79
6	4001	5000	263150	1.49	57	0.63
7	5001	10000	660381	3.73	93	1.03



8	10001	50000	1149485	6.50	55	0.61
9	50001	9999999999	12656798	71.55	20	0.22
		TOTAL	17690250	100.00	17690250	100.00

20. DEMATERIALIZATION OF SHARES

The Company's shares are required to be compulsorily traded in the Stock Exchanges in dematerialized form.

SHAREHOLDING SUMMARY AS ON 31ST MARCH, 2020

Description	Cases	Shares	%
Physical	1	10	0.00
CDSL	3853	2544839	14.39
NSDL	4531	15145401	85.61
TOTAL	8385	17690250	100.00

21. PLANT LOCATIONS

Manufacturing Facility No. 1

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

Manufacturing Facility No. 2

Survey No. 99/2/1, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.

Manufacturing Facility No. 3

Survey No. 99/2/9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa – 396 230.

Manufacturing Facility No. 4

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

Manufacturing Facility No. 5

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

22. REGISTERED OFFICE

99/2/1&9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa 396230.

23. CORPORATE OFFICE

Valecha Chambers, 3rd Floor, Opp. Infiniti Mall, Andheri New Link Road, Andheri (West), Mumbai 400 053.

24. ADDRESS FOR CORRESPONDENCE

Queries on Annual Report and dividend be addressed to Secretarial Department, Emmbi Industries Limited, Valecha Chambers, 3rd Floor, Opp. Infiniti Mall, Andheri New Link Road, Andheri (West), Mumbai 400 053.

- Designated email id for investors: investor.grievances@emmbi.com
- Company Identification Number (CIN): L17120DN1994PLC000387 and International Securities Identification Number (ISIN): INE753K01015

Date : 18th June, 2020

Place: Silvassa

For and on behalf of the Board of Directors

EMMBI INDUSTRIES LIMITED

Makrand Appalwar

Chairman

DIN: 00171950

Avana Jalasanchay
Super Pond



Our Jalasanchay Super pond lining fabric gained lots of attention because it used our specialized HabiTech Technology to cut evaporation rates in half and allow for fish farming in a traditional pond structure.

Compassion



From destitution. Unto hope.

Nobody personifies compassion as much as Mother Teresa. An Albanian by birth, Anjezë Gonxhe Bojaxhiu was born on 26 August, 1910 in Skopje. Her father died when she was just eight. According to some accounts, Teresa was in her early years when she was fascinated by stories of missionaries and their service in Bengal.

She arrived in India in 1929. On September 10, 1946, she experienced what she later described as the “call within the call”, and later set up the Missionaries Of Charity, dedicating her life to the service of the “poorest of the poor”.

Pope Francis canonised her at a ceremony on September 4, 2016, nineteen years after her death, at St Peter’s Square. The ceremony was attended by thousands of homeless in Italy.

Corporate Governance Certificate

The Members,
Emmbi Industries Limited

We have examined the compliance of conditions of corporate governance by Emmbi Industries Limited for the year ended 31st March, 2020 as stipulated in Chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was carried out and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the Financial Year ended 31st March 2020.

We 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.

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For SANJAY DHOLAKIA & ASSOCIATES

Practising Company Secretary
Sanjay Dholakia
Proprietor

Place: Mumbai
Date: 18th June, 2020
FCS 2655 CP 1798
UDIN: F002655B000352763

Box Bag

We manufacture a variety of box bags which have different properties like moisture proofing, UV stabilization and dust proofing. They can be printed and/or laminated, per the customer's needs.



Certifications and Declarations

MD /CFO Certificate

To,
The Board of Directors,
Emmbi Industries Limited

Dear Sirs,

We hereby certify that -

- (a) we have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2020, and that to the best of our knowledge and belief:
 - (i) These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) 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 which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and 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) We hereby certify that
 - (i) there have been no significant changes in internal control over financial reporting during the year;
 - (ii) there have been no significant changes in accounting policies during the year; and
 - (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Emmbi Industries Limited
Makrand Appalwar
Chairman and Managing Director
DIN: 00171950

Place: Silvassa
Date: 18th June, 2020

For Emmbi Industries Limited
Rinku Appalwar
Chief Financial Officer
DIN: 00171976

Declaration Regarding Code of Conduct

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company for the year ended 31st March, 2020.

Place: Silvassa
Date: 18th June, 2020

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) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 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 Moreswar Appalwar	00171950	29/11/1994
2.	Mrs. Rinku Makrand Appalwar	00171976	29/11/1994
3.	Mr. Rama Krishnan	00546256	31/03/2018
4.	Dr. Venkatesh 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. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company. Further we have to state that we have not carried out the Physical Inspection of any records maintained by the Company due to prevailing conditions of COVID 2019 prevailing in the country. We have relied on the records as made available by the Company by digital mode and also on the Management Representation Letter issued by the Company.

For SANJAY DHOLAKIA & ASSOCIATES

(SANJAY DHOLAKIA)
Practising Company Secretary
Proprietor

Place: Mumbai
Date: 18th June, 2020
UDIN: F002655B000352686

Avana has made remarkable growth in Rajasthan and conserved thousands of liters of water in the last year.



Independent Auditor's Report

TO THE MEMBERS OF
EMMBI INDUSTRIES LIMITED.

Report on 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, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matter to be the key audit matter to be communicated in our Report.

Key Audit Matter

Evaluation of uncertain tax position

The company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.

Refer Note 27 to the Standalone Financial Statements.

Auditor's Response

Our audit procedures include the following :-

- Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process. For selected controls we have performed tests of controls.
- Obtained the summary of Company's legal and tax cases and critically assessed management's position through discussion with the Legal Counsel on both the probability of success in significant cases and the magnitude of any potential loss.

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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's 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, 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw

Newly made Avana
Jalasanchay Super
Farm Pond at Nashik,
Maharashtra.



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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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.
 - 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("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)

K. Daliya
Partner
(M No. 166874)
UDIN: 2016687AAAAJ1837

Place : Mumbai
Date : 18.06.2020

Annexures to the Independent Auditor's Report

Annexure A to the Independent Auditors' Report

(Referred to in Paragraph 1 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 March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on internal controls over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013 ("the Act").

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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

Place : Mumbai
Date : 18.06.2020

For and on behalf of
R Daliya & Associates
Chartered Accountants
FRN : 102060W.
K. Daliya
Partner
Membership No. :- 166874
UDIN: 2016687AAAAJ1837

Annexure - B

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

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
- (b) As explained to us, fixed assets 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. 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.
- (ii) The management has conducted physical verification of inventory at reasonable intervals. No material discrepancies were noticed on physical verification.
- (iii) As informed to us, during the year the Company has granted any loans, secured or unsecured to companies, firms, or other parties covered in the register maintained under Section 189 of the Act. The company has granted loan to Limited Liability Partnership, the terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest. Details of the same have been mentioned in Note 39.
- (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) The company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India, 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) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
- (vii) (a) According to the records, information and explanation provided to us, the company is regular in depositing with appropriate authorities undisputed amount of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Value Added Tax, Service Tax, Goods and Service Tax, Cess and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and as per our verification of records of the company, the disputed amounts of Income Tax which are not deposited with appropriate authorities as at 31st March, 2020 are as follows:
Amount is due under Income Tax Act, 1961 as Income Tax amounting Rs. 3,90,05,030/-for the period 01.04.2010 to 31.03.2011 which is reduced by ITAT to Rs 58,50,760/-. Appeal with H'ble Bombay High Court is preferred for the remaining part. Amount is due under Income Tax Act, 1961 as Income Tax Penalty amounting Rs. 39,47,758/-for the A.Y.: 2011-2012 which is pending with CIT Appeal.
- (viii) Based on our audit procedures and on the information and explanation given to us, the company has not defaulted in repayment of dues or borrowings to any financial institution or bank or Government or dues to Debenture holders as at the balance sheet date.
- (ix) The company has not raised any money by way of initial public offer, further public offer (including debt instruments), money raised by term loans have been applied by the company during the year for the purpose for which those are raised.
- (x) To the best of our knowledge and accordingly to the information and explanations given, no material fraud by the company or on the company by its officers has been noticed or reported during the course of our audit.
- (xi) The Company has paid / provided for Managerial Remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) According to the information and explanations given to us, in our opinion, the company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with section Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 42 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xv) In our opinion and according to information and explanation given to us, the Company has not entered into any Non Cash Transactions with the Directors or person connected with him, during the year. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Place :- Mumbai
Date : 18.06.2020

For and on behalf of
R Daliya & Associates
Chartered Accountants
FRN :. 102060W
K. Daliya
Partner
Membership No. :- 166874
UDIN: 2016687AAAAAJ1837

Fall Arrest System



Construction site workers tend to suffer severe injuries when they fall from heights. Emmbi's Fall Arrest Systems aim to reduce the fatality of such accidents by providing a large shock absorbing area. These systems can also be cushioned for added protection.

Belief

Edward Jenner M.D.

From sickness. Unto health.

Francis Galton, a Victorian era statistician once said, "In science credit goes to the man who convinces the world, not the man to whom the idea first occurs." Dr Edward Jenner perhaps exemplifies the kind of belief that it took to convince the world of the theory of immunity and indeed, give birth to the very concept of immunization.

Born in May 1749, Jenner received a strong basic education and went on to become a doctor. During his time, Smallpox killed an estimated 10% of the British population. He noted that milkmaids were generally immune to Smallpox and postulated that the pus in the blisters that milkmaids received from Cowpox protected them from Smallpox. Jenner tested this hypothesis on May 14, 1796 and the rest, as they say, is history.

In fact, the terms 'vaccine' and 'vaccination' are derived from Variolae vaccinae (smallpox of the cow) a term that was devised by Dr Edward Jenner to describe Cowpox!

Balance Sheet as at 31st March, 2020

PARTICULARS	NOTES	AS AT 31 MARCH, 2020 (INR MILLION)	AS AT 31 MARCH, 2019 (INR MILLION)
A ASSETS			
1.Non-Current Assets			
(a) Property, Plant & Equipment	5	1,149.75	1,082.28
(b) Capital Work In Progress	5	61.38	36.63
(c) Intangible Assets	5	106.68	91.80
(d) Financial Assets			
a) Investments	6	0.23	0.23
b) Loans	7	1.07	0.86
c) Other Financial Assets	8	10.25	7.15
Deferred tax Asset - MAT Credit Entitlement	9	21.09	23.07
Income Tax Asset	10	130.26	110.07
Other Non-Current Assets	11	0.05	0.34
Sub Total - Non Current Assets		1,480.76	1,352.42
2. Current Assets			
Inventories	12	786.79	729.36
Financial Assets			
(a) Trade receivables	13	520.10	451.56
(b) Cash & Cash Equivalent	14	18.74	27.69
(c) Bank balances other than b) above	15	18.29	9.96
Other Current Assets	16	160.51	154.70
Sub Total - Current Assets		1,504.43	1,373.27
TOTAL ASSETS		2,985.19	2,725.69
B EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	17	176.90	176.90
(b) Other Equity	18	1,106.81	972.72
Sub Total - Share Holders' Fund		1,283.72	1,149.62
2. Non-Current Liabilities			
Financial Liabilities			
(a) Borrowings	19	358.92	355.23
Other Non Current Liabilities	20	-	-
Employee Benefit Provisions	21	12.79	10.25
Deferred Tax Liabilities	22	93.23	84.79
Liabilities for Income Tax	23	150.73	140.81
Sub Total - Non Current Liabilities		615.67	591.08
3. Current Liabilities			
Financial Liabilities			
(a) Borrowings	24	715.74	608.62
(b) Trade Payables	25	264.39	272.87
(c) Other Financial Liabilities	26	105.67	103.50
Provisions		-	-
Sub Total - Current Liabilities		1,085.80	984.99
TOTAL LIABILITIES		2,985.19	2,725.69
Significant Accounting Policies and Notes on Financial Statements	1 to 44		

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

K. Daliya (Partner)
Membership No. 166874
Place : Silvassa
Date : 18th June, 2020

Kaushal Patvi
Company Secretary

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

Makrand Appalwar
(Managing Director)

Rinku Appalwar
(CFO & Director)

Statement of Profit and Loss for the year ended 31st March, 2020

PARTICULARS	NOTES	AS AT 31 MARCH, 2020 (INR MILLION)	AS AT 31 MARCH, 2019 (INR MILLION)
INCOME			
Revenue from Operations	28	3,331.40	3,148.45
Less : GST recovered		292.07	258.37
Revenue from Operations (Net)		3,039.34	2,890.08
Other Income	29	1.61	1.37
Total Revenue (I)		3,040.95	2,891.45
EXPENDITURE			
Cost of Materials Consumed	30	2,063.93	1,859.16
Purchase of Stock-in-Trade	31	-	40.07
Changes in Inventories of Finished Goods and Stock-in-Process	32	(67.06)	(24.77)
Employees Benefits Expense	33	168.54	150.72
Finance Costs	34	119.42	109.58
Depreciation and Amortization Expense	35	69.73	62.60
Other Expenses	36	499.74	455.05
Total Expenses (II)		2,854.31	2,652.41
Profit before Tax		186.64	239.04
Tax Expenses			
(1) Current Tax		31.93	51.00
(2) Tax for earlier years		-	0.17
(3) Deferred Tax Liability		8.44	9.96
Profit for the Year		146.27	177.90
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Plans		(1.51)	0.02
Income Tax		-	-
Total Comprehensive Income		144.76	177.92
Earning Per Equity Share (RUPEES)			
(1) Basic (of Rs 10/- each)	37	8.27	10.06
(2) Diluted (of Rs 10/- each)	37	8.27	10.06
Significant Accounting Policies and Notes on Financial Statements	1 to 44		

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

K. Daliya (Partner)
Membership No. 166874
Place : Silvassa
Date : 18th June, 2020

Kaushal Patvi
Company Secretary

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

Makrand Appalwar
(Managing Director)

Rinku Appalwar
(CFO & Director)

Statement of changes in equity for the year ended 31st March, 2020

A. SHARE CAPITAL	NOTES	NO OF SHARES	INR MILLION
Equity shares of Rs. 10 each issued, subscribed and fully paid:			
Balance as on March 31, 2019	17	17.69	176.90
Balance as on March 31, 2020	17	17.69	176.90

B. OTHER EQUITY PARTICULARS	SECURITIES PREMIUM AMOUNT	RETAINED EARNINGS	TOTAL
Balance on April 1, 2018	272.65	532.82	805.46
Profits for the year 2018-19	-	177.90	177.90
Dividend paid for FY 2017-18	-	(8.85)	(8.85)
Dividend Distribution Tax on above	-	(1.82)	(1.82)
Other Comprehensive Income / (Loss) for the year	-	0.02	0.02
Balance at the end of the reporting period March 31, 2019 as per Ind AS	272.65	700.07	972.72
Profits for the year 2019-20	-	146.27	146.27
Dividend paid for FY 2018-19	-	(8.85)	(8.85)
Dividend Distribution Tax on above	-	(1.82)	(1.82)
Other Comprehensive Income / (Loss) for the year	-	(1.51)	(1.51)
Balance at the end of the reporting period March 31, 2020 as per Ind AS	272.65	834.17	1,106.81

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

K Daliya (Partner)
Membership No. 166874
Place : Silvassa
Date : 18th June, 2020

Kaushal Patvi
Company Secretary

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

Makrand Appalwar
(Managing Director)

Rinku Appalwar
(CFO & Director)



Avana percolation tank liner making the percolation tanks more efficient to preserve water for longer period of the time at Satara, Maharashtra.

Cash Flow Statement for the year ended 31st March, 2020

PARTICULARS	2019-20		2018-19	
	INR MILLION	INR MILLION	INR MILLION	INR MILLION
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax		186.64		239.04
Depreciation & Amortisation	69.73		62.60	
Finance Cost	119.42		109.58	
Sundry Balances Written off	2.62		1.92	
Provision For Gratuity	1.03		0.49	
Interest Received on Bank FD	(1.25)		(0.97)	
Dividend Received	(0.00)		(0.00)	
Rent received	(0.05)		(0.08)	
		191.50		173.54
Operating Profit Before Working Capital Changes		378.14		412.58
Adjustments for Working Capital Changes:				
Trade Payables and Other Current Liabilities	(8.83)		39.03	
Inventories	(57.43)		(32.81)	
Trade Receivables	(71.16)		(82.99)	
		(137.42)		(76.77)
CASH FLOW FROM OPERATIONS		240.72		335.81
Taxes Paid (Net)		(40.23)		(76.65)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		200.49		259.16
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets and additions in CWIP	(176.83)		(168.50)	
Movement in Loans and Advances	(2.44)		(0.75)	
Purchase of Term Deposits	(8.74)		1.92	
Interest Received on Bank FD	1.25		0.97	
Dividend Received	0.00		0.00	
Rent received	0.05		0.08	
NET CASH (USED IN) INVESTING ACTIVITIES (B)		(186.70)		(166.27)
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds / (Repayment) from Long Term Borrowing	3.69		(26.01)	
Proceeds / (Repayment) from Short Term Borrowing	2.54		12.68	
(Increase)/decrease in Working Capital Borrowings	101.31		115.81	
Long Term Advances	-		(73.36)	
(Loan)/ Repayment to Subsidiary & LLP	(0.21)		0.30	
Interest paid on Loan	(119.42)		(109.58)	
Dividend Paid (Including Dividend Distribution tax)	(10.66)		(10.66)	
NET CASH FLOW USED IN FINANCING ACTIVITIES(C)		(22.75)		(90.82)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		(8.96)		2.07
Cash & Cash Equivalent at the beginning of the Year		27.69		25.62
Cash & Cash Equivalent at the end of the Year		18.74		27.69
Cash & Cash Equivalents				
Cash on Hand		2.83		3.71
Balances with banks in Current account		15.91		23.98
TOTAL		18.74		27.69

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

K. Daliya (Partner)
Membership No. 166874
Place : Silvassa
Date : 18th June, 2020

Kaushal Patvi
Company Secretary

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

Makrand Appalwar
(Managing Director)

Rinku Appalwar
(CFO & Director)

Notes Forming Part of the Standalone Financial Statements For The Year Ended On 31st March , 2020.

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, India. The Company has its primary listings on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The financials were authorized for issuance by the company's Board of Directors and Audit Committee on June 18, 2020.

The principal activities of the Company comprises of Manufacturing and Trading 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, 2020 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 India 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 million of rupees except share and per share data.

2.4 Use of Judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, 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 underlyings 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 if provisions and contingencies.
- iv. Recognition of deferred tax assets.

2.5 Operating Cycle:

Based on the nature of products / activities of the company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTE: 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, Plant and Equipment (PPE)

- i. Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.
- ii. The cost of property, plant and equipment includes those incurred directly for the construction or acquisition of the assets, and directly attributable to bringing it to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- iii. The cost of major spares is recognised in the carrying amount of the item of property, plant and equipment, in accordance with the recognition criteria set out in the standard. The carrying amount of the replaced part is derecognized at the time of actual replacement. The costs of day-to-day servicing of the item are recognised in statement of profit and loss as incurred.

- iv. Depreciation on tangible assets including those on leasehold premises is provided under straight line method over the useful life of assets specified in Part C of Schedule II to the Companies Act, 2013 and in the manner specified therein, except in respect of dies and moulds which are depreciated over their technically estimated useful lives on straight line method.
- v. Depreciation methods, useful lives and residual values are reviewed at each reporting date and accounted as change in accounting estimate.
- vi. Each component / part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately only when it has a different useful life. The gain or loss arising from the de-recognition of an item or property, plant and equipment is included in statement of profit or loss when the item is derecognized.
- vii. Expenditure attributable / relating to PPE under construction / erection is accounted as below:
 - A. To the extent directly identifiable to any specific plant /unit, trial run expenditure net of revenue is included in the cost of property, plant and equipment.
 - B. To the extent work not completed to any specific plant /unit, is grouped under 'capital work-in-progress'.

3.2 Intangible Assets

- i. Intangible 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. Intangibles asset are amortized on straight line method over their technically estimated useful lives.
- iv. Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates.

3.3 Inventories are valued as under:

I) Raw materials, components, consumables and stores and 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 inorganic chemicals, textile and other 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 from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties.

Sale of goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 45-120 days. The Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

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, ESIC, scheme and employee pension scheme is recognised as expenditure in the period in which the employee renders the related service.

B) Defined benefit plans:

The company's obligation towards gratuity is a benefit plan. The present value of the estimated future cash flows of the obligation under such plan is determined based on actuarial valuation using the projected unit credit method. Any difference between the interest income on plan assets and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experienced adjustments within the plan are recognised immediately in other comprehensive income and subsequently not reclassified to the statement of profit and loss.

3.6 Foreign currency transactions

- i. Transactions relating to non-monetary items and sale of goods/ services denominated in foreign currency are recorded at the exchangerate prevailing or a rate that approximates the actual rate on the date of transactions.
- ii. Assets and liabilities in the nature of monetary items denominated in foreign currency are restated at prevailing exchange rate as at the end of the reporting period.
- iii. Exchange differences arising on account of settlement/conversion of foreign currency monetary items are recognised as expense or income in the period in which they arise.

3.7 Current Tax and Deferred Tax

i) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

ii) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profits differ as reported in the statement of profit and loss because of items of income and expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

iii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all temporary differences to the extent that it is possible that taxable profits will be available against those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.8 Borrowing Costs

- i. Borrowing costs incurred for obtaining assets which take substantial period to get ready for their intended use are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other case by applying weighted average cost of borrowings to the expenditure on such assets. Post the commercial production or trial run, borrowing cost will be treated as expense for the year.
- ii. Other borrowing costs are treated as expense for the year.

3.9 Financial instruments (Financial assets and financial liabilities)

- i. All financial instruments are recognised initially at fair value. The classification of financial of financial instruments depends on the objective of the business model for which it is held and the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. For the purpose of subsequent measurement, financial instruments of the company are classified into (a) Non-Derivative financial instruments and (b) Derivative financial instruments.

ii. **Financial instruments.**

- A) Security deposits, cash and cash equivalents, employee and other advances, trade receivables and eligible current and non-current financial assets are classified as financial assets under this clause.
- B) Loans and borrowings, trade and other payables including deposits collected from various parties and eligible current and non-current financial liabilities are classified as financial liabilities under this clause.
- C) Financial instruments are subsequently carried at amortized cost wherever applicable using effective interest rate method (EIR) less impairment loss.
- D) Transaction cost that are attributable financial recognized at amortized cost are included in the fair value of such instruments.
- E) Investments in equity shares, including investment in subsidiary company, are measured at fair value through profit and loss as permitted by Ind AS 27 read with 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 if the receivable can be measured reliably.

3.12 Earnings per share (EPS)

- i. Basic EPS is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year/ period.
- ii. Diluted EPS is computed by dividing the profit after tax, as adjusted for dividend, interest and other charges to expenses or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic EPS and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

3.13 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue to allocate the consideration in the contract.

4.1 Changes in accounting policies and disclosures

New and amended standards

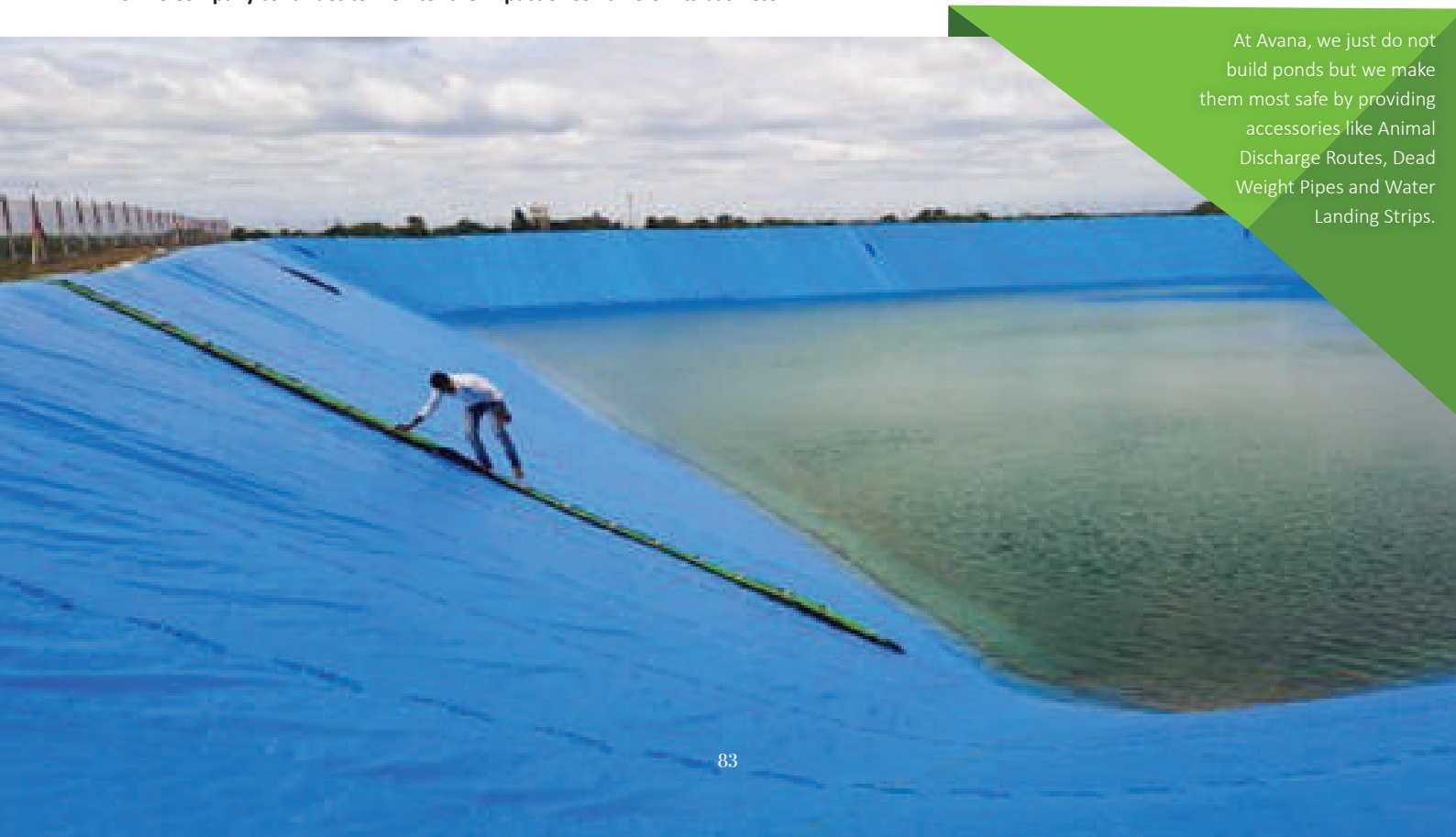
The Company applied Ind AS 116 Leases for the first time during the current year. The nature and effect of the changes as a result of adoption of the new accounting standard did not have any impact on the profit or the balance sheet of the Company.

4.2 Standards issued but not yet effective up to the date of Financial Statements Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

4.3 The Company continues to monitor the impact of Covid-19 on its business.

At Avana, we just do not build ponds but we make them most safe by providing accessories like Animal Discharge Routes, Dead Weight Pipes and Water Landing Strips.



Note 5 PROPERTY, PLANT AND EQUIPMENT
For the year ended 31ST MARCH, 2020

												INR MILLION	
Sr. No.	PARTICULARS	As at 01-04-2019 INR Mn	ADDNS	TRANSFERS	ADJUSTMENTS/ DISPOSALS	As at 31-03-20 INR Mn	As at 01-04-19 INR Mn	For the yr	TRANSFERS	ADJUSTMENTS/ DISPOSALS	As at 31-03-20 INR Mn	As at 31-03-20 INR Mn	as at 31-03-19
INR Mn		INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn
5.A TANGIBLE FIXED ASSETS													
1	Land	33.46	-	-	-	33.46	-	-	-	-	-	33.46	33.46
2	Building	476.09	20.81	-	-	496.90	60.35	13.71	-	-	74.05	422.85	415.74
3	Compound Wall	0.26	-	-	-	0.26	0.19	0.01	-	-	0.20	0.07	0.08
4	Plant and Machinery	603.25	90.23	-	-	693.48	171.59	26.75	-	-	198.34	495.14	431.67
5	Electrical Installation	15.12	1.92	-	-	17.04	5.44	0.69	-	-	6.14	10.90	9.67
6	Furniture & Fixtures	34.13	0.70	-	-	34.82	15.96	3.11	-	-	19.08	15.75	18.16
7	Crates	0.71	-	-	-	0.71	0.60	0.07	-	-	0.67	0.04	0.11
8	Office Equipment	31.08	5.79	-	-	36.88	15.15	2.76	-	-	17.91	18.97	15.94
9	Other Equipment	0.01	-	-	-	0.01	0.01	-	-	-	0.01	0.00	0.00
10	Vehicles	28.42	2.04	-	-	30.47	15.35	2.52	-	-	17.87	12.60	13.08
11	Plant and Machinery (R & D Equipment and Pilot Plant)	160.19	1.97	-	-	162.16	16.33	6.15	-	-	22.48	139.68	143.86
12	Computer (for R & D)	1.02	-	-	-	1.02	0.51	0.21	-	-	0.72	0.29	0.51
	(A)	1,383.74	123.46	-	-	1,507.21	301.46	56.00	-	-	357.46	1,149.75	1,082.28
5.B INTANGIBLE FIXED ASSETS													
	Acquired Brand & Knowledge Development Cost	122.74	28.61	-	-	151.36	30.94	13.74	-	-	44.68	106.68	91.80
	(B)	122.74	28.61	-	-	151.36	30.94	13.74	-	-	44.68	106.68	91.80
5.C CAPITAL WIP													
	Building	36.63	24.75	-	-	61.38	-	-	-	-	-	61.38	36.63
	(C)	36.63	24.75	-	-	61.38	-	-	-	-	-	61.38	36.63
	TOTAL (A+B+C)	1,543.12	176.83	-	-	1,719.95	332.41	69.73	-	-	402.14	1,317.81	1,210.71

Note 5 PROPERTY, PLANT AND EQUIPMENT
For the year ended 31st March, 2019

												INR MILLION	
Sr. No.	PARTICULARS	As at 01-04-18 INR Mn	ADDNS	TRANSFERS	ADJUSTMENTS/ DISPOSALS	As at 31-03-19 INR Mn	As at 01-04-18 INR Mn	For the yr	TRANSFERS	ADJUSTMENTS/ DISPOSALS	As at 31-03-19 INR Mn	As at 31-03-19 INR Mn	as at 31-03-18
INR Mn		INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn	INR Mn
5.A TANGIBLE FIXED ASSETS													
1	Land	33.46	-	-	-	33.46	-	-	-	-	-	33.46	33.46
2	Building	419.69	19.92	36.48	-	476.09	48.63	11.72	-	-	60.35	415.74	371.06
3	Compound Wall	0.26	-	-	-	0.26	0.18	0.01	-	-	0.19	0.08	0.08
4	Plant and Machinery	565.05	38.20	-	-	603.25	145.91	25.68	-	-	171.59	431.67	419.14
5	Electrical Installation	13.84	1.27	-	-	15.12	4.88	0.57	-	-	5.44	9.67	8.97
6	Furniture & Fixtures	26.11	8.02	-	-	34.13	13.12	2.84	-	-	15.96	18.16	12.99
7	Crates	0.71	-	-	-	0.71	0.53	0.07	-	-	0.60	0.11	0.18
8	Office Equipment	27.59	3.49	-	-	31.08	12.38	2.77	-	-	15.15	15.94	15.21
9	Other Equipment	0.01	-	-	-	0.01	0.01	-	-	-	0.01	0.00	0.00
10	Vehicles	21.39	7.04	-	-	28.42	12.50	2.84	-	-	15.35	13.08	8.88
11	Plant and Machinery (R & D Equipment and Pilot Plant)	142.08	18.11	-	-	160.19	10.75	5.57	-	-	16.33	143.86	131.33
12	Computer (for R & D)	0.93	0.09	-	-	1.02	0.39	0.12	-	-	0.51	0.51	0.53
	(A)	1,251.12	96.14	36.48	-	1,383.74	249.29	52.18	-	-	301.46	1,082.28	1,001.84
5.B INTANGIBLE FIXED ASSETS													
	Acquired Brand & Knowledge Development Cost	87.01	35.73	-	-	122.74	20.52	10.43	-	-	30.94	91.80	66.49
	(B)	87.01	35.73	-	-	122.74	20.52	10.43	-	-	30.94	91.80	66.49
5.C CAPITAL WIP													
	Rakholi Building - Vaidehi II	36.48	36.63	(36.48)	-	36.63	-	-	-	-	-	36.63	36.48
	(C)	36.48	36.63	(36.48)	-	36.63	-	-	-	-	-	36.63	36.48
	TOTAL (A+B+C)	1,374.62	168.50	-	-	1,543.12	269.80	62.60	-	-	332.41	1,210.71	1,104.81

		INR MILLION	
Note 6	NON CURRENT INVESTMENTS	As at 31.03.2020	As at 31.03.2019
	Non-trade investments		
	<i>Unquoted Equity Instruments (Fully paid up)</i>		
	2,500 Equity Shares of Zoroastrian Co-Op Bank Ltd. Of Rs. 40/- each	0.10	0.10
	2,500 Equity Shares of Saraswat Co-Op Bank Ltd. Of Rs. 10/- each	0.03	0.03
	25% Shares of Global Bag S.R.O.	0.00	0.00
	Investment in LLP		
	99.99% Investment in Emmbi Watcon LLP	0.10	0.10
	TOTAL	0.23	0.23

6.1	Investee Company	Principal Place of Business	Country of Incorporation	Proportion of ownership interest & voting rights
	LLP			
	Emmbi Watcon LLP	Mumbai	India	99.99%

		INR MILLION	
Note 7	LOANS (NON CURRENT)	As at 31.03.2020	As at 31.03.2019
	Unsecured, Considered good		
	Loan to related party - Emmbi Watcon LLP	1.07	0.86
	TOTAL	1.07	0.86

		INR MILLION	
Note 8	OTHER FINANCIAL ASSETS (NON CURRENT)	As at 31.03.2020	As at 31.03.2019
	Security Deposits	9.27	6.55
	Bank Deposits(With more than 12 months maturity)	-	-
	Term Deposits	0.98	0.59
	TOTAL	10.25	7.15

		INR MILLION	
Note 9	DEFERRED TAX ASSET - MAT CREDIT ENTITLEMENT (NON CURRENT)	As at 31.03.2020	As at 31.03.2019
	MAT Credit Entitlement	21.09	23.07
	TOTAL	21.09	23.07

		INR MILLION	
Note 10	INCOME TAX ASSETS (NON CURRENT)	As at 31.03.2020	As at 31.03.2019
	Advance payment of Income Tax	130.26	110.07
	TOTAL	130.26	110.07

		INR MILLION	
Note 11	OTHER NON CURRENT ASSETS	As at 31.03.2020	As at 31.03.2019
	Prepaid Rental	0.05	0.34
	TOTAL	0.05	0.34

		INR MILLION	
Note 12	INVENTORIES	As at 31.03.2020	As at 31.03.2019
	Raw Materials	182.27	200.47
	Stock-in-Process	457.37	362.26
	Finished Goods	77.90	105.96
	Stores & Spares	69.24	60.67
	TOTAL	786.79	729.36

INR MILLION

Note 13	TRADE RECEIVABLES	As at 31.03.2020	As at 31.03.2019
	Secured, Considered Good	-	-
	Unsecured, Considered Good	520.10	451.56
	Trade receivables which have significant increase in credit risk	0.43	0.43
	Trade receivables - Credit Impaired	-	-
	Allowance for Credit Losses	(0.43)	(0.43)
	TOTAL	520.10	451.56

INR MILLION

Note 14	CASH AND CASH EQUIVALENTS	As at 31.03.2020	As at 31.03.2019
	Balances with banks		
	In Current Account	15.44	23.71
	Cash on hand	2.83	3.71
	Others:	-	-
	Term deposits with Banks (maturity of less than three months)	0.47	0.27
	TOTAL	18.74	27.69

INR MILLION

Note 15	BANK BALANCE OTHER THAN ABOVE Earmarked balances with Banks	As at 31.03.2020	As at 31.03.2019
	Unclaimed Dividend A/c	0.46	0.48
	Term Deposits (maturity of more than three months but less than twelve months)	17.84	9.48
	TOTAL	18.29	9.96

INR MILLION

Note 16	OTHER CURRENT ASSETS	As at 31.03.2020	As at 31.03.2019
	Balance with Central Excise, Service Tax, GST and other Govt. Authorities	99.15	107.04
	Prepaid Expenses	26.55	25.14
	Capital Advances	2.75	2.79
	Other Advances	32.06	19.74
	TOTAL	160.51	154.70

INR MILLION

Note 17	EQUITY SHARE CAPITAL	As at 31.03.2020	As at 31.03.2019
	Authorised Share Capital		
	1,80,00,000 (P.Y. : 1,80,00,000) Equity shares of Rs.10/- each.	180.00	180.00
		180.00	180.00
	Issued, Subscribed & Paid-up		
	1,76,90,250 Equity shares of Rs. 10/- each fully paid up	176.90	176.90
	TOTAL	176.90	176.90

INR MILLION

17.1	The Reconciliation of the number of shares outstanding is set out below : Particulars	As at 31.03.2020 No. of Shares	As at 31.03.2019 No. of Shares
	Equity Shares at the beginning of the year	17.69	17.69
	Equity Shares at the end of the year	17.69	17.69

INR MILLION

17.2	The Details of Shareholders Holding more than 5% Shares Name of Shareholder	As at 31.03.2020		As at 31.03.2019	
		No. of Shares	%Held	No. of Shares	% Held
	Makrand Moreshwar Appalwar	3.83	21.62%	3.83	21.62%
	Rinku Makrand Appalwar	2.35	13.27%	2.30	12.99%
	Maithili Appalwar	1.07	6.02%	1.07	6.02%
	Emmbi Laboratories Pvt Ltd	1.66	9.40%	1.66	9.40%
	Hidden Champions Fund	1.22	6.91%	1.22	6.91%
	Maithili Agrotech Private Limited	1.06	6.00%	1.06	6.00%

17.3 Terms / Rights attached to the Equity Shares

The company has only one class of equity shares having a par value of Rs. 10.00 per share (previous year Rs. 10.00 per share) Each holder of the equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

INR MILLION

Note 18	OTHER EQUITY (REFER TO THE STATEMENTS OF CHANGES IN EQUITY)	As at 31.03.2020	As at 31.03.2019
	(a) Securities Premium Reserves		
	As per last Balance Sheet	272.65	272.65
		272.65	272.65
	(b) Retained Earnings		
	Balance as at the beginning of the year	700.07	532.82
	Add : Profit for the Year	146.27	177.90
	Add/Less : Other Comprehensive Income for the year	(1.51)	0.02
	Less : Dividend	(8.85)	(8.85)
	Less : Dividend Distribution Tax	(1.82)	(1.82)
		834.17	700.07
	TOTAL	1,106.81	972.72

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.

INR MILLION

Note 19	BORROWINGS (NON CURRENT)	As at 31.03.2020		As at 31.03.2019	
		Non Current	Current	Non Current	Current
	(a) Secured				
	Term Loans				
	- From Banks	350.86	63.45	355.23	80.90
	- From Corporates	-	-	-	-
	Other loans & advances	-	-	-	-
	(b) Unsecured	-	-	-	-
	Term Loans	-	-	-	-
	- From Banks	8.06	20.00	-	-
	- From Corporates	-	-	-	-
	Other loans & advances	-	-	-	-
	TOTAL	358.92	83.44	355.23	80.90

19.1 Term Loans are secured by way of deposit of the title deeds in respect of immovable properties of the Company including Land & Building situated at Survey No. 191/2/4, Masat Village, Meghwad Road, U.T. of Dadra & Nagar Haveli, Silvassa - 396230, Survey No. 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa - 396230 and at Survey No. 87, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, U.T. of Dadra & Nagar Haveli, Silvassa - 396230, Survey No. 28A & 42, Masat Industrial Estate, U.T. of Dadra & Nagar Haveli, Silvassa - 396230 First pari passu charge on entire fixed assets of the company, present and future, with existing bankers and by way of Second pari passu charge on entire current assets of the company present and future with existing bankers.

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

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

19.4 Repayment Schedule

YEARS	Secured Loans	Unsecured Loans
For 2020-21	63.45	20.00
For 2021-22	87.80	7.31
For 2022-23	86.79	0.75
For 2023-24	81.85	-
For 2024-25	67.01	-
For 2025-26	21.14	-
For 2026-27	6.26	-

INR MILLION

Note 20	OTHER NON CURRENT LIABILITIES	As at 31.03.2020	As at 31.03.2019
	Advance from Customers	-	-
	TOTAL	-	-

INR MILLION

Note 21	EMPLOYEE BENEFIT PROVISIONS (NON CURRENT)	As at 31.03.2020	As at 31.03.2019
	Provision for Employee Benefits (Gratuity)	12.79	10.25
	TOTAL	12.79	10.25

INR MILLION

Note 22	DEFERRED TAX LIABILITIES	As at 31.03.2020	As at 31.03.2019
	The balance comprises of temporary differences attributable to :		
	Depreciation(Net)	93.23	84.79
	TOTAL	93.23	84.79

Note:

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

INR MILLION

	MOVEMENT OF DEFERRED TAX LIABILITIES	As at 31.03.2020	As at 31.03.2019
	Opening Balance	84.79	74.83
	Charged/(Credited)	-	-
	- to Profit or loss (depreciation)	8.44	9.96
	- to Other Comprehensive Income	-	-
	TOTAL	93.23	84.79

INR MILLION

Note 23	PROVISIONS (NON CURRENT)	As at 31.03.2020	As at 31.03.2019
	Provision For Taxes	150.73	140.81
	TOTAL	150.73	140.81

INR MILLION

Note 24	BORROWINGS (CURRENT)	As at 31.03.2020	As at 31.03.2019
	Loans repayable on demand		
	From Banks	-	-
	Secured (Refer Note 24.1)	715.74	608.62
	TOTAL	715.74	608.62

24.1 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, with existing bankers and by way of Second pari passu charge on entire fixed assets of the company, present and future, with the existing bankers - State Bank Of India, ICICI Bank, Axis Bank and Saraswat Co-op. Bank.

INR MILLION

Note 25	TRADE PAYABLES	As at 31.03.2020	As at 31.03.2019
	Dues to Micro Enterprises and Small Enterprises (MESE)	-	-
	Payables other than MESE	264.39	272.87
	TOTAL	264.39	272.87

INR MILLION

Note 26	OTHER FINANCIAL LIABILITIES (CURRENT)	As at 31.03.2020	As at 31.03.2019
	Current maturities of long term debt (Refer Note : 19)	83.44	80.90
	Unpaid Dividends	0.46	0.48
	Others	21.77	22.12
	TOTAL	105.67	103.50

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

		INR MILLION	
Note 30	COST OF MATERIAL CONSUMED	2019-20	2018-19
	Raw Materials Consumed		
	Opening Inventory	200.47	199.80
	Add : Purchases (Net)	2,045.73	1,859.83
		2,246.20	2,059.63
	Less : Closing Inventory	182.27	200.47
	TOTAL	2,063.93	1,859.16

		INR MILLION	
30.1	DETAILS OF INDIGENOUS AND IMPORTED RAW MATERIALS CONSUMED	2019-20 Rs. % Consumption	2018-19 Rs. %Consumption
	Imported	24.50 1.19	31.61 1.70
	Indigenous	2,039.42 98.81	1,827.55 98.30
	TOTAL	2,063.93 100.00	1,859.16 100.00

		INR MILLION	
30.2	PARTICULARS OF MATERIAL CONSUMED	2019-20	2018-19
	Polymer Granules And Films Of Various Grades and Others	2,063.93	1,859.16
	TOTAL	2,063.93	1,859.16

		INR MILLION	
Note 31	PURCHASE OF STOCK-IN-TRADE	2019-20	2018-19
	Trading Purchase - Mumbai		
	HDPE/PP Laminated Fabric	-	40.07
	TOTAL	-	40.07

		INR MILLION	
Note 32	CHANGES IN INVENTORIES OF STOCK-IN-TRADE, WORK-IN-PROGRESS AND FINISHED GOODS	2019-20	2018-19
	Inventories (At Close)		
	Stock-in-Process	457.37	362.26
	Finished goods	77.90	105.96
		535.28	468.22
	Inventories (At Commencement)		
	Stock-in-Process	362.26	331.39
	Finished goods	105.96	112.06
		468.22	443.45
	TOTAL	(67.06)	(24.77)

		INR MILLION	
Note 33	EMPLOYEES BENEFITS EXPENSES	2019-20	2018-19
	Salaries	150.88	138.99
	Employees Welfare Expenses	9.73	6.68
	Contribution to Provident Fund and Other Fund*	5.60	2.95
	Gratuity	2.32	2.11
	TOTAL	168.54	150.72

*Includes amount of Rs. 35,99,629.00 recieved under PMRPY AND PMPRPY Schemes.

		INR MILLION	
Note 34	FINANCE COSTS	2019-20	2018-19
	Interest	98.96	97.20
	Other borrowing costs	20.46	12.38
	TOTAL	119.42	109.58

		INR MILLION	
Note 35	DEPRECIATION AND AMORTIZATION EXPENSES	2019-20	2018-19
	Depreciation and Amortization	69.73	62.60
	TOTAL	69.73	62.60

Note 36	OTHER EXPENSES	2019-20	2018-19
	MANUFACTURING EXPENSES		
	Factory Wages	107.32	93.28
	Power and Fuel	66.25	56.68
	Labour Charges	45.09	23.44
	Consumable Stores	76.79	67.77
	Repairs & Maintenance	9.24	7.67
	Other Manufacturing Expenses	7.12	7.29
	Sub-Total (A)	311.81	256.14
	SELLING AND DISTRIBUTION EXPENSES		
	Freight Forwarding Expenses	88.79	80.28
	Sales Promotion Expenses	10.16	11.60
	Vehicle Expenses	4.43	4.70
	Discount	6.95	11.26
	Other Selling and Distribution Expenses	2.71	2.21
	Sundry Export Expenses	1.55	2.17
	Commission	0.95	0.71
	Sub-Total (B)	115.55	112.92
	ESTABLISHMENT EXPENSES		
	Legal and Professional Charges	10.92	10.93
	Scientific Research & Development	30.53	45.23
	Rent	15.53	9.94
	Tour & Travelling Expenses	18.13	10.69
	Insurance	8.24	8.71
	Printing, Stationary, Computer & Xerox Expenses	3.99	5.36
	Postage and courier Expenses	3.06	4.33
	Telephone Expenses	2.08	2.10
	General Expenses	6.51	5.11
	Electricity expenses - Mumbai Office	1.22	1.43
	Sundry Balances W/off (W /back)	2.62	1.92
	Conveyance Expenses	0.60	1.05
	Donations	0.20	0.07
	Donations for CSR Activities	1.25	1.62
	Foreign Exchange Variation (Net)	(34.10)	(23.99)
	Payment to Auditor (See Note 36.3)	1.45	1.45
	Swachch Bharat Cess	-	0.02
	Krishi Kalyan Cess	-	0.02
	Gst Reversal On Purchases & Expenses	0.14	-
	Sub-Total (C)	72.38	85.98
	TOTAL [(A)+(B)+(C)]	499.74	455.05

36.1	DETAILS OF STORES, CHEMICALS AND PACKING MATERIALS CONSUMED	2019-20 Rs. % Consumption	2018-19 Rs. % Consumption
	Imported	- -	- -
	Indigenous	76.79 100	67.77 100
	TOTAL	76.79 100	67.77 100

36.2	VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF	2019-20	2018-19
	Import of Raw Materials	24.50	31.61
		24.50	31.61

36.3	PAYMENT TO AUDITORS	2019-20	2018-19
	As Auditor		
	Audit Fee	0.90	0.90
	Tax Audit Fee	0.20	0.20
	Certification Fees	0.35	0.35
		1.45	1.45

INR MILLION

36.4 EXPENDITURE IN FOREIGN CURRENCY	2019-20	2018-19
Foreign Bank Charges	1.77	1.31
Testing Charges	0.18	1.08
Foreign Travelling Expenses	2.69	5.74
Exhibition Expenses	-	-
Advertising Expenses	-	0.10
Membership Fees	-	-
Discount & Commission	0.95	0.18

INR MILLION

36.5 PARTICULARS	2019-20	2018-19
Foreign Exchange loss / (Gain) of Rs.	(34.10)	(23.99)

INR MILLION

Note 37 EARNINGS PER SHARE (EPS)	2019-20	2018-19
Net Profit after tax as per Statement of Profit and Loss	146.27	177.90
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	8.27	10.06
Diluted Earnings per share	8.27	10.06
Face Value per equity share	10.00	10.00

INR MILLION

Note 38 EARNINGS IN FOREIGN EXCHANGE	2019-20	2018-19
FOB value of Exports	1,393.57	1,377.55

Note 39 RELATED PARTY DISCLOSURES

INR MILLION

Name of Related Party (Designation)	Nature of Transaction	Amount of Transaction 2019-20	Amount of Transaction 2018-19	Balance as on 31.03.20
Makrand Appalwar (Managing Director)	Remuneration Outstanding Remuneration	7.80	7.80	0.45 (0.45)*
Rinku Appalwar (CFO & Director)	Remuneration Outstanding Remuneration	7.20	7.20	0.42 (0.29)*
Payment to Non - Executive Directors	Sitting Fees	0.30	0.22	-
Emmbi Watcon LLP (99.99% Share)	Sale of Goods (Net of GST)	-	0.15	- (0)*
Emmbi Watcon LLP (99.99% Share)	Loan given Loan Repaid	0.21 -	0.90 1.20	1.07 (0.86)*
S. Sastry (President works)	Remuneration	6.07	6.07	0.41 (0.30)*
Kaushal Patvi (Company Secretary)	Salary	1.34	1.18	0.09 (0.01)*
Kitec Industries (India) Ltd. (Common Director's)	Sale of Goods	0.62	1.55	- (0)*
Kitec Industries (India) Ltd. (Common Director's)	Purchases	0.23	0.28	0.01 (0.03)*
Dividend paid to Relatives	Dividend paid to Relatives	5.10	5.10	-

(* Figures represent balance as on 31.03.2019)

Note 40	TRADE PAYABLES TO MICRO, SMALL AND MEDIUM ENTERPRISES	INR MILLION	
		2019-20	2018-19
	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.	-	-

Note 41 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.

Notes Forming part of the Financial Statements

Note 42 : Category wise Classification of Financial Instruments

Particulars	Refer Note	INR MILLION					
		March 31, 2020			March 31, 2019		
		FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
FINANCIAL ASSETS							
2019-20	13	-	-	520.10	-	-	451.56
Loans	7	-	-	1.07	-	-	0.86
Cash and Bank Balances	14	-	-	37.03	-	-	37.65
Interest accrued		-	-	-	-	-	-
Investments	6	0.00	0.13	-	0.00	0.13	-
Security deposits	8	-	-	10.25	-	-	7.15
Others		-	-	-	-	-	-
TOTAL FINANCIAL ASSETS		0.00	0.13	568.45	0.00	0.13	497.21
FINANCIAL LIABILITIES							
Trade payables	25	-	-	-	-	-	-
Short Term Borrowings	24	-	-	264.39	-	-	272.87
Interest accrued		-	-	715.74	-	-	608.62
Loans borrowed	19&26	-	-	-	-	-	-
Others	26	-	-	442.36	-	-	436.13
		-	-	22.23	-	-	22.60
TOTAL FINANCIAL LIABILITIES		-	-	1,444.72	-	-	1,340.22

(* Please refer Note 44 - Liquidity Risk)

NOTE 43: INCOME TAX EXPENSE

	For the year ended	
	March 31, 2020	March 31, 2019
A. INCOME TAX EXPENSE		
Current tax		
Current tax on profits for the year	31.93	51.00
Adjustments for current tax of previous years	-	0.17
Total Current tax expenses	31.93	51.18
B. DEFERRED TAX		
Deferred Tax for the year	8.44	9.96
Total deferred tax expense/(benefit)	8.44	9.96
Income tax expense	40.37	61.14
C. RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S TAX RATE		
	March 31, 2020	March 31, 2019
Profit from continuing operations before income tax expense	186.64	239.04
Tax at the Indian tax rate of % (previous year %)	29.12%	34.94%
Tax effect of amounts which are not deductible (taxable) in calculating taxable income: Dividend Income from Investments exempt from tax	54.35	83.53
Effects of non deductible business expenses	1.88	2.63
Effect of Tax Incentives	(5.68)	(17.44)
Effect on account of Minimum Alternate Tax (MAT)	-	-
Effect on account of Minimum Alternate Tax (MAT) Credit Availment	(10.18)	(7.75)
Adjustments for current tax of previous years	-	0.17
Other items	-	(0.01)
Income tax expense	40.37	61.14

NOTE 44: EMPLOYEE BENEFIT OBLIGATIONS

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

INR MILLION

I Defined Benefit Plans	For the year ended	
	March 31, 2020	March 31, 2019
Gratuity		
Non-Current	12.79	10.25
Total	12.79	10.25

A Significant assumptions :

The significant actuarial assumptions were as follows :

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.75% p.a.	7.75% p.a.
Salary escalation rate	6.50% p.a.	6.50% p.a.
Retirement age	60 years	60 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate Mortality Rates	Indian Assured Lives Mortality (2006-08) Ultimate Mortality Rates

B Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Life expectancy:

This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Future salary increase and inflation risk:

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk:

Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans.

II Defined Contribution Plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss :-

INR MILLION

	For the year ended	
	March 31, 2020	March 31, 2019
Employers' Contribution to Provident Fund	5.25	2.66

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	Fair value of plan assets	INR MILLION
			Net amount
April 1, 2018	9.78	0.01	9.77
Current service cost	1.38	-	1.38
Interest expense/(income)	0.77	-	0.77
Total amount recognised in Profit or Loss	2.15	-	2.15
Return on plan assets expense/(income)	-	-	-
(Gain)/loss from experience changes	(0.02)	-	(0.02)
(Gain)/loss from change in financial assumptions	-	-	-
Total amount recognised in Other Comprehensive Income	(0.02)	-	(0.02)
Employer's contribution	-	-	-
Benefits paid	(1.66)	-	(1.66)
March 31, 2019	10.25	0.01	10.25

Particulars	Present value of obligation	Fair value of plan assets	INR MILLION
			Net amount
April 1, 2019	10.25	0.01	10.25
Current service cost	1.53	-	1.53
Interest expense/(income)	0.79	-	0.79
Total amount recognised in Profit or Loss	2.32	-	2.32
Return on plan assets expense/(income)	-	-	-
(Gain)/loss from experience changes	(0.11)	-	(0.11)
(Gain)/loss from change in financial assumptions	1.62	-	1.62
Total amount recognised in Other Comprehensive Income	1.51	-	1.51
Benefits paid	(1.29)	-	(1.29)
March 31, 2020	12.80	0.01	12.79

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

Particulars	INR MILLION	
	March 31, 2020	March 31, 2019
Present value of funded obligation	12.80	10.25
Fair value of plan assets	0.01	0.01
Surplus of funded plan	12.79	10.25

iii) Sensitivity analysis

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

Assumption	Impact on defined benefit obligation March 31, 2020	
	%	Rs
Discount rate		
1.00% increase	-14.5%	(1.85)
1.00% decrease	17.92%	2.29
Future salary increase		
1.00% increase	17.78%	2.27
1.00% decrease	-14.6%	(1.87)

Assumption	Impact on defined benefit obligation March 31, 2019	
	%	Rs
Discount rate		
1.00% increase	-13.9%	(1.43)
1.00% decrease	17.26%	1.77
Future salary increase		
1.00% increase	17.31%	1.77
1.00% decrease	-14.20%	(1.45)

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	INR MILLION	
	March 31, 2020	March 31, 2019
Less than a year	0.49	0.06
Between 1- 2 years	-	0.28
Between 2 - 5 years	0.44	0.66
Over 5 years	45.58	36.68
Total	46.50	37.68

Capital Management:

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders.

The Capital structure of the Company is as follows:

Particulars	INR MILLION	
	March 31, 2020	March 31, 2019
Equity share capital	176.90	176.90
Other Equity	1,106.81	972.72
Total Equity	1,283.72	1,149.62

Events after reporting period

- a) The final dividend recommended by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

Dividends

Particulars	INR MILLION	
	March 31, 2020	March 31, 2019
Dividends not recognised at the end of reporting period (including dividend distribution tax)	7.08	10.66

The Board of Directors have recommended the payment of a final dividend of Re. 0.40 per fully paid equity share of Rs. 10.00 each (March 31, 2019 - Re 0.50). This proposed dividend is subject to approval of shareholders in the ensuing annual general meeting.

Corporate Social Responsibility (CSR)

As a part of Corporate Social Responsibility (CSR) initiative, the Company has decided to donate to Emmbi Foundation having main object as CSR Activity as specified in Schedule VII. An amount of Rs. 1.25 Million (Previous Year: Rs. 1.53 Million) has been spent in the year ended March 31, 2020. Gross amount required to be spent by the Company during the year: Rs. 4.11 Million (Previous Year: Rs. 3.47 Million).

Amount spent during the year on:

Particulars	INR MILLION		
	In Cash	Yet to be paid in Cash	Total
	Rs.	Rs.	Rs.
Acquisition of any asset	-	-	-
Others	1.25	2.86	4.11
Total (CY)	1.25	2.86	4.11
Previous Year	(1.53)	(1.94)	(3.47)

*Note : Figures shown in brackets are in respect of previous year.

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. 10.84 Million (Previous Year Rs. 8.56 Million) 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	INR MILLION	
	As at March 31, 2020	March 31, 2019
For a period not later than one year	2.08	9.30
For a period later than one year and not later than five years	-	2.08
For a period later than five years	-	-

Financial risk management

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. The general conditions for compliance with the requirements for proper and future-oriented risk management within the Company are set out in the risk management principles. These principles aim at encouraging all members of staff to responsibly deal with risks as well as supporting a sustained process to improve risk awareness. The guidelines on risk management specify risk management processes, compulsory limitations, and the application of financial instruments. The risk management system aims at identifying, analyzing, managing, controlling and communicating risks promptly throughout the Company. Risk management reporting is a continuous process and part of regular Group reporting. In addition, our Corporate Function Internal Auditing regularly checks whether Company complies with risk management system requirements.

The Company is exposed to credit, liquidity and market risks (foreign currency risk and price risk) during the course of ordinary activities. The aim of risk management is to limit the risks arising from operating activities and associated financing requirements by applying selected derivative and non-derivative hedging instruments.

Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. The balances with banks, loans given to employees, security deposits are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Hence, no provision has been created for expected credit loss for credit risk arising from these financial assets.

Trade receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information.

Export related trade receivables are fully secured under the Export Credit Guarantee Corporation Scheme and therefore the Company is not exposed to significant credit risk.

The provision for expected credit loss is recognised on the basis of life-time expected credit losses (simplified approach). An expected loss rate is calculated at each year-end, based on combination of rate of default and rate of delay. The Company considers the rate of default and delay

There is no significant expected loss recognised.

Expected credit loss:

March 31,2020

INR MILLION

Particulars	Trade Receivables	Loans	Other Financial Assets	Total
Gross carrying amount	520.53	1.07	47.28	568.88
Expected loss rate	0.08%	0.00%	0.00%	0.08%
Expected credit losses (loss allowance provision)	0.43	-	-	0.43
Carrying amount (net of impairment)	520.10	1.07	47.28	568.45

March 31,2019

Gross carrying amount	451.99	0.86	44.80	497.65
Expected loss rate	0.10%	0.00%	0.00%	0.09%
Expected credit losses (loss allowance provision)	0.43	-	-	0.43
Carrying amount (net of impairment)	451.56	0.86	44.80	497.21

Reconciliation of loss allowance provision

Loss allowance as on April 1, 2019	0.43
Changes in loss allowance	-
Loss allowance as on March 31, 2020	0.43

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:

March 31,2020	INR MILLION		
Non- derivative liabilities	Upto 1 year	1 to 3 years	3 to 7 years
Trade Payables	264.39	-	-
Borrowings	-	-	-
Long Term*	83.44	182.66	176.26
Interest	35.59	17.35	16.74
Short Term	715.74	-	-
Interest	60.29	-	-
Other Financial Liabilities	22.23	-	-
TOTAL	1,181.68	200.01	193.01

	INR MILLION		
March 31,2019	Upto 1 year	1 to 3 years	3 to 7 years
Non- derivative liabilities			
Trade Payables	272.87	-	-
Borrowings	-	-	-
Long Term*	80.90	159.40	195.83
Interest	48.37	15.14	18.60
Short Term	608.62	-	-
Interest	45.71	-	-
Other Financial Liabilities	22.60	-	-
TOTAL	1,079.07	174.54	214.43

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

Market risk

Market risk is the risk that fair values or future cash flows of non-derivative or derivative financial instruments will fluctuate due to changes in risk factors. Among market risks relevant to the Company are foreign currency risk and price risks. Associated with these risks are fluctuations in income, equity and cash flow. The objective of risk management is to eliminate or limit emerging risks by taking appropriate precautions, especially by applying derivatives. The application of derivatives is subject to strict controls set up on the basis of guidelines as part of regular reporting. Various measures are used to mitigate or eliminate the risk of fluctuations in the fair value of future cash flows from financial instruments due to market changes. These mainly include foreign currency forward contracts with banks. The use of derivative financial instruments is extensively monitored, with checks being carried out on the basis of policies in the framework of regular reporting.

Foreign currency risk

The international nature of the Company's business activities generates numerous cash flows in different currencies especially in USD and EURO. Hedging the resulting currency risk exposures is an essential part of the Company's risk management. 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.

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

K Daliya (Partner)
Membership No. 166874
Place : Silvassa
Date : 18th June, 2020

Kaushal Patvi
Company Secretary

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

Makrand Appalwar
(Managing Director)

Rinku Appalwar
(CFO & Director)



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Emmbi Industries Limited

CIN: L17120DN1994PLC000387

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