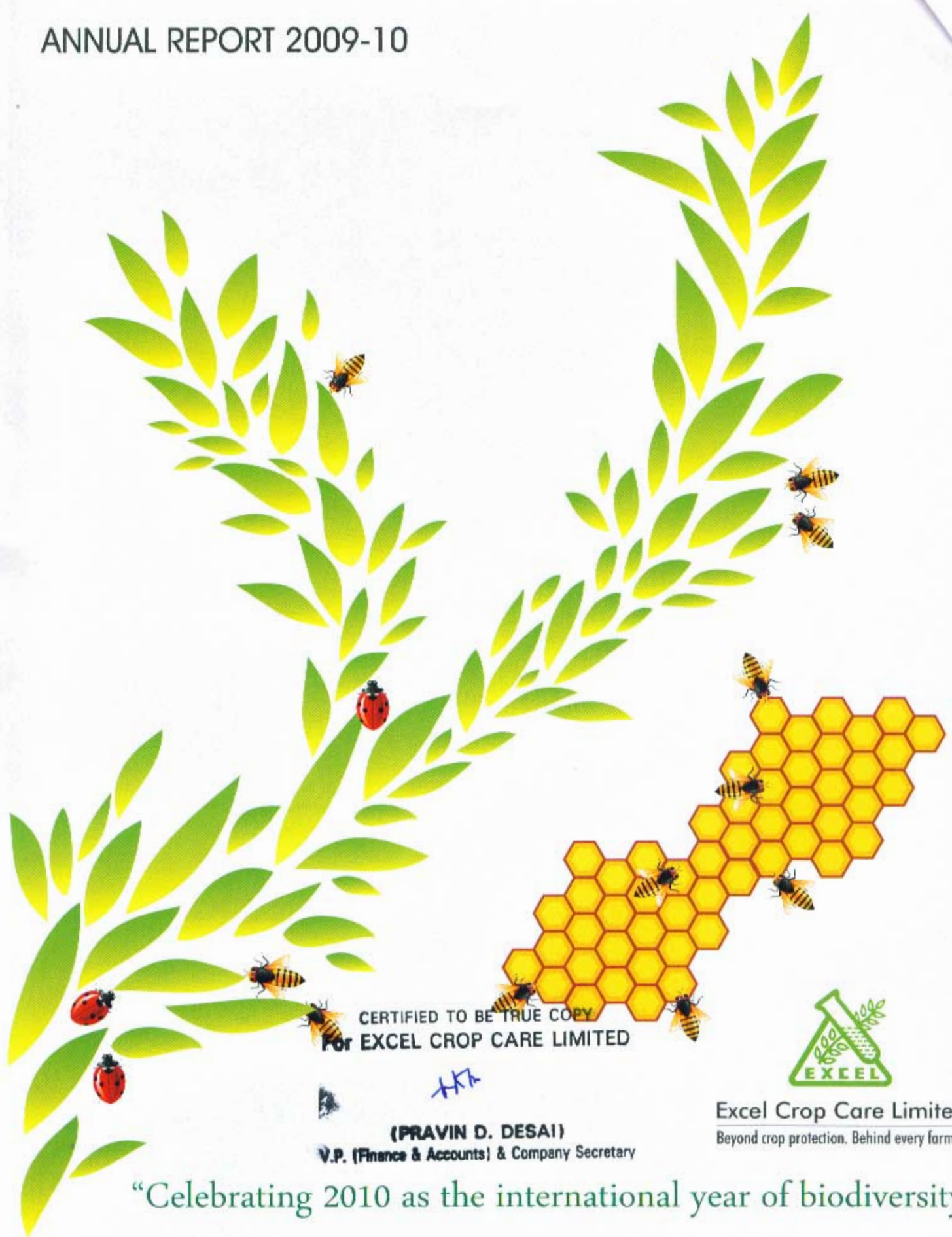



ANNUAL REPORT 2009-10



CERTIFIED TO BE TRUE COPY
For EXCEL CROP CARE LIMITED


(PRAVIN D. DESAI)
V.P. (Finance & Accounts) & Company Secretary



Excel Crop Care Limited
Beyond crop protection. Behind every farmer

“Celebrating 2010 as the international year of biodiversity”

EXCEL CROP CARE LIMITED

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*46th Annual General Meeting on Wednesday, 28th July, 2010 at 3.00 p.m.
At Rama Watumull Auditorium, Kishinchand Chellaram College,
Dinshaw Wacha Road, Churchgate, Mumbai-400 020.*

A REQUEST

We are sure you will read with interest the Annual Report for the year 2009-10. You may desire to have some clarification or additional information at the ensuing Annual General Meeting. We shall very much appreciate, if you will kindly write to us at least ten days in advance in order to enable us to keep the information ready for you at the Meeting. We solicit your kind co-operation.

EXCEL CROP CARE LIMITED

BOARD OF DIRECTORS

A. C. SHROFF, *Chairman*

DIPESH K. SHROFF, *Managing Director*

PRAKASH K. SHROFF, *Executive Director*

J. R. NAIK

MUKUL G. ASHER

SANDEEP JUNNARKAR

B. V. BHARGAVA

KEVIN MARTIN

SHARAD L. PATEL

VINAYAK B. BUCH

DEEPAK BHIMANI

NINAD D. GUPTA

L. RAJAGOPALAN, *Alternate to Dr. Mukul G. Asher*

VICE PRESIDENT (FINANCE & ACCOUNTS) & COMPANY SECRETARY

PRAVIN D. DESAI

BANKERS

Bank of India

Syndicate Bank

State Bank of India

Citibank N.A.

ICICI Bank Ltd.

AUDITORS

S. R. BATLIBOI & CO.

Chartered Accountants

REGISTERED OFFICE

184-87, Swami Vivekanand Road,
Jogeshwari (W), Mumbai 400 102.

CORPORATE OFFICE

13 & 14, Aradhana Industrial Development Corporation,
Near Virwani Industrial Estate,
Goregaon (East), Mumbai 400 063.

REGISTRARS AND TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound

LBS Marg, Bhandup (West)

Mumbai 400 078

Tel.: 2596 3838/0320

EXCEL CROP CARE LIMITED

NOTICE

NOTICE is hereby given that the FORTY SIXTH ANNUAL GENERAL MEETING of the Members of EXCEL CROP CARE LIMITED will be held at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai - 400 020 on Wednesday, the 28th July, 2010, at 3.00 p.m. to transact the following business:

1. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March, 2010, the Balance Sheet as at that date, and the Reports of the Directors and the Auditors thereon.
2. To declare a dividend.
3. To appoint a director in place of Mr. Sandeep Junnarkar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. B. V. Bhargava, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a director in place of Dr. Mukul G. Asher, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint auditors and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

7. To consider and if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following:
“RESOLVED THAT Mr. Ninad D. Gupte, who was appointed as a Director of the Company by the Board of Directors pursuant to Section 262 of the Companies Act, 1956 and Article 147 of the Articles of Association of the Company to fill a casual vacancy and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956, proposing his candidature as a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”
8. To consider and, if thought fit, to pass, with or without modification, as a Special Resolution, the following:
“RESOLVED THAT pursuant to the provisions of Section 314(1) and all other applicable provisions, if any, of the Companies Act, 1956, or any amendment or substitution thereof, approval of the Company be and is hereby accorded to Mr. Abhay Saraiya (a relative of Mr. Dipesh K. Shroff, Managing Director of the Company) to hold and continue to hold an office or place of profit under Excel Genetics Limited, a subsidiary of the Company, as Vice President, with effect from 15th January, 2010, on annual remuneration of Rs. 15.87 lacs (on cost to the company basis) including allowances and the value of benefits, amenities, facilities and other perquisites provided by the subsidiary company or the cost whereof is borne by the subsidiary company, including leave encashment, contribution to Provident Fund, Gratuity Fund, etc. as are applicable to other employees in equivalent salary scale or grade with such increments as may be permissible under the rules or practices adopted by the subsidiary company or as the subsidiary company may deem fit and proper and that the subsidiary company may (a) make applicable to Mr. Abhay Saraiya such revisions in his existing salary scale or grade together with revisions in such allowances, benefits, amenities, facilities and other perquisites including contribution to Provident Fund, Gratuity Fund, Superannuation Fund, etc. as are introduced from time to time in respect of employees of the subsidiary company in equivalent salary scale or grade; and (b) promote him to any higher position or salary scale or grade in due course together with such allowances, benefits, amenities, facilities and other perquisites including contribution to Provident Fund, Gratuity Fund, Superannuation Fund, etc. as are applicable to other employees in equivalent salary scale or grade with such increments as may be permissible under the rules or practices adopted by the subsidiary company or as the subsidiary company may deem fit and proper, provided however that the annual remuneration of Mr. Abhay Saraiya including

such allowances and the value of benefits, amenities, facilities and other perquisites provided by the subsidiary company or the cost whereof is borne by the subsidiary company including applicable leave encashment, contribution to Provident Fund, Gratuity Fund, Superannuation Fund etc. shall not exceed the aggregate sum of Rs. 30.00 lacs on a cost to the company basis.

RESOLVED FURTHER THAT approval of the Company be and is hereby accorded pursuant to Section 314(1) and all other applicable provisions, if any, of the Companies Act, 1956, or any amendment or substitution thereof, to the office or place of profit earlier held by Mr. Abhay Saraiya under Excel Genetics Limited, a subsidiary of the Company, as Advisor – Seeds Business, during the period commencing on 10th August, 2009 (i.e. the date on which Excel Genetics Limited became a subsidiary of the Company) up to 14th January, 2010 on a monthly fee of Rs. 45,000/-.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable for the purpose of giving effect to this resolution and for matters connected herewith or incidental hereto.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND TO VOTE ONLY ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Instruments appointing proxies should be deposited with the Company at its Registered Office not less than 48 hours before the commencement of the Meeting.

2. An Explanatory Statement relating to the Special Business under Item Nos. 7 and 8 of this Notice as required under Section 173(2) of the Companies Act, 1956, is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 17th July, 2010 to Wednesday, the 28th July, 2010 (both days inclusive).
4. Members are requested to notify immediately any change in their addresses to their Depository Participants (DPs) in respect of their electronic share accounts quoting Client ID No. and to Link Intime India Private Limited, the Company's Registrars and Transfer Agents in respect of their physical shares, quoting Folio No.
5. Payment of dividend as recommended by the Directors, if declared at the Meeting, will be made on or after Monday, the 2nd August, 2010, to the Members whose names stand on the Company's Register of Members on Wednesday, the 28th July, 2010, and to the Beneficial Owner(s) as per the Beneficiary List at the close of business hours on Friday, the 16th July, 2010, provided by the National Securities and Depository Limited and Central Depository Services (India) Limited.
6. Payment of the dividend will be made through National Electronic Clearing Service (NECS) at the RBI Centres by crediting the dividend amount to the bank account of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and covered under the RBI Centres who have not furnished the requisite information and who wish to avail of the NECS facility to receive dividend from the Company, may furnish the information to Link Intime India Private Limited, the Registrars and Transfer Agents. The members holding shares in electronic form may furnish the information to their Depository Participants in order to receive dividend through the NECS mechanism.
7. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the amounts of dividends remaining unclaimed for a period of seven years are to be transferred to the Investors' Education and Protection Fund.

The details of dividend declared for the year 2002-03 onwards are given below:

| Date of Declaration | Dividend for the year | Dividend Rs. Per Share | Due date of the proposed transfer to the Investors' Education & Protection Fund |
|---------------------|-----------------------|------------------------|---|
| 29.12.2003 | 2002-03 | 1.50 | 03.02.2011 |
| 28.07.2004 | 2003-04 | 2.50 | 02.09.2011 |
| 12.09.2005 | 2004-05 | 3.75 | 18.10.2012 |
| 26.07.2006 | 2005-06 | 3.75 | 31.08.2013 |
| 30.07.2007 | 2006-07 | 3.75 | 04.09.2014 |
| 16.07.2008 | 2007-08 | 5.00 | 21.08.2015 |
| 17.07.2009 | 2008-09 | 5.00 | 22.08.2016 |

Members who have not encashed the Dividend Warrants for the above years are requested to write to the Company for revalidation of Dividend Warrants before such unclaimed dividend is transferred to the Investors' Education and Protection Fund.

For and on behalf of the Board of Directors

A.C. SHROFF
Chairman

Registered Office:
184-87, Swami Vivekanand Road,
Jogeshwari (W),
Mumbai-400 102.

Mumbai, 26th May, 2010.

EXCEL CROP CARE LIMITED

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No. 7

Mr. Ninad D. Gupte was appointed as a Director of the Company with effect from 3rd December, 2008 pursuant to Section 262 of the Companies Act, 1956 and Article 147 of the Articles of Association of the Company to fill up the casual vacancy caused by the resignation of Mr. Douglas J. Rathbone. Pursuant to the provisions of Section 262(2) of the Companies Act, 1956, Mr. Ninad D. Gupte holds office as a Director of the Company only up to the date of the ensuing Annual General Meeting of the Company, being the date up to which Mr. Douglas J. Rathbone would have held the office.

A notice in writing has been received from a member of the Company under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr. Ninad D. Gupte as a candidate for the office of Director of the Company. The requisite sum of Rs. 500/- has been duly received from such member.

Mr. Ninad D. Gupte is a science graduate and holds a PGDBM degree equivalent to MBA from a reputed Institute. He has over 33 years of experience with chemical, petrochemical and agrochemical industries. The Board believes that it would, therefore, be in the interest of the Company to continue to have the benefit of his experience and expertise in the deliberations of the Board.

The Board commends his appointment for acceptance by the members.

Except Mr. Ninad D. Gupte, none of the other Directors of the Company is, in any way, concerned or interested in this resolution.

Item No. 8

Mr. Abhay Saraiya is M.Com., DBM, PGPMS and has 15 years of corporate management experience in various functions. He also has experience in seeds business.

Mr. Abhay Saraiya has been appointed by Excel Genetics Limited as Vice President with effect from 15th January, 2010, on an annual remuneration of Rs. 15.87 lacs. Mr. Abhay Saraiya is related to Mr. Dipesh K. Shroff, Managing Director of the Company. Excel Genetics Limited is a subsidiary of the Company – the Company holds 75% of its paid-up share capital.

Mr. Abhay Saraiya was earlier appointed Advisor – Seeds Business by Excel Genetics Limited with effect from 1st April, 2009 on a monthly fee of Rs. 45,000/-. He held this position up to 14th January, 2010. Excel Genetics Limited allotted 150,000 equity shares to the Company on 10th August, 2009 and it thus became the Company's subsidiary on that date. Mr. Abhay Saraiya held the position of Advisor – Seeds Business in Excel Genetics Limited up to 14th January, 2010.

Section 314(1) of the Companies Act, 1956 provides that a relative of a director of a company can hold office or place of profit carrying a total monthly remuneration of Rs. 10,000 or more under its subsidiary with the consent of the holding company accorded by a special resolution.

The Special Resolution at Item No. 8 of the Notice intends to accord consent of the Members for Mr. Abhay Saraiya to hold and continue to hold the office or place of profit in Excel Genetics Limited, a subsidiary of the Company, as Vice President on an annual remuneration of Rs 15.87 lacs with effect from 15th January, 2010 and also gives consent to increments and revision in his salary from time to time in future and to promote him to any higher position or salary scale or grade in due course together with such allowances, benefits, amenities, facilities and perquisites as are applicable to other employees in equivalent position, salary scale or grade as permissible under the subsidiary company's rules and practices or as may be deemed fit and proper by the subsidiary company, provided that the total annual remuneration of Mr. Abhay Saraiya shall not exceed Rs. 30 lacs, on cost to the company basis. The Special Resolution also seeks to accord consent of the Members for the position earlier held by Mr. Abhay Saraiya in Excel Genetics Limited as Advisor – Seeds Business during the period 10th August, 2009 to 14th January, 2010 on a monthly fee of Rs. 45,000/-.

The Board of Directors recommends the Special Resolution set out at Item No. 8 of the accompanying Notice for the approval of the members.

Mr. Abhay Saraiya is a relative of Mr. Dipesh K. Shroff, Managing Director of the Company, who may be treated as concerned or interested in this resolution. None of the other Directors of the Company is, in any way, concerned or interested in this resolution.

For and on behalf of the Board of Directors

A.C. SHROFF
Chairman

Registered Office:
184-87, Swami Vivekanand Road,
Jogeshwari (W),
Mumbai-400 102.

Mumbai, 26th May, 2010.

EXCEL CROP CARE LIMITED

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting the Forty-Sixth Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March, 2010.

1. FINANCIAL RESULTS

The salient features of the Company's working are:

| | (Rupees in Lacs) | |
|---|------------------|----------|
| | 2009-10 | 2008-09 |
| Gross Profit for the year was | 66,01.99 | 52,69.95 |
| Less: Depreciation | 8,82.91 | 8,09.57 |
| Leaving a net profit subject to Taxation of | 57,19.08 | 44,60.38 |
| Less: Taxation (Current, Deferred and Fringe Benefit Tax) | 19,85.27 | 16,74.08 |
| | 37,33.81 | 27,86.30 |
| Add/(Less): Prior Period Adjustments | 9.63 | (6.26) |
| | 37,43.44 | 27,80.04 |
| Add: Balance brought forward from the previous year | 10,76.60 | 9,40.36 |
| Leaving a balance available for disposal of | 48,20.04 | 37,20.40 |
| Appropriations: | | |
| Proposed Dividend | 6,87.85 | 5,50.28 |
| Tax on Dividend | 1,14.24 | 93.52 |
| Transfer to General Reserve | 30,00.00 | 20,00.00 |
| | 38,02.09 | 26,43.80 |
| Carried forward to next year | 10,17.95 | 10,76.60 |

2. DIVIDEND

Your Directors have recommended a dividend of 125% amounting to Rs. 6.25 per share of Rs. 5.00 each as compared to a dividend of 100% (Rs. 5.00 per share) in the previous year.

3. OPERATIONS

During the year under review, the net sales decreased from Rs. 685.10 crores in the previous year to Rs. 620.41 crores. Domestic sales marginally increased from Rs. 391.55 crores in the previous year to Rs. 403.96 crores in the year under review whereas the export turnover dropped sharply by 26% from Rs. 293.55 crores to Rs. 216.45 crores.

Sharp drop in price of Glyphosate, a major weedicide product of the Company, in the international market was the major reason for the fall in exports. In the domestic market, the sales offtake was higher. However, prices of several of the Company's products were significantly lower in comparison to the previous year. The lower sales realisation was, however, compensated by lower input costs and did not reduce profitability.

The Company's profit before tax in the year under review has increased to Rs. 57.19 crores from Rs. 44.60 crores in the previous year mainly for the reason that in the previous year the Company had an abnormal and large foreign exchange/derivative loss of Rs. 32.42 crores whereas in the year under review there is a foreign exchange gain of Rs. 0.30 crore.

4. NEW PRODUCTS

During the year under review, the Company introduced a new rust fungicide in the international market. This product is proposed to be introduced in the domestic market as well. The Company also introduced an acaricide which is well received in the market. To meet the changing market requirements, the Company has been increasing its retail pack range and augmenting and modifying its packaging facilities. The Company continues its efforts at energy conservation and energy cost reduction.

5. OUTLOOK

The agriculture sector in India continues to receive focused attention from the Central as also the State Governments. Crop failure last year and the resultant food shortages and food price inflation once again highlighted the importance of this sector for the country's economy. The private sector has been making significant investments in farming and rural sectors as these segments are seen as future growth drivers for the economy. Farmers are receiving attractive price for their produce and are able to spend on quality farm inputs. The Indian agriculture sector and the rural economy continue to grow at a steady and satisfactory pace. With one more near-normal monsoon forecast for the current year, the short-term outlook for the agrochemicals industry and your Company appears reasonably good. The Company continues to focus on growth of its branded products. Exports continue to remain the focus area of growth for your Company. The Company strives to make up for the ground lost in the year under review in the export arena. At the same time the Company remains conscious about the high credit risk associated with some geographies in the export markets. The Company continues to make efforts to explore and penetrate new export markets.

6. TRANSFER OF SEEDS BUSINESS TO EXCEL GENETICS LIMITED

The Company transferred its seeds business as a going concern to Excel Genetics Limited (formerly, Harvest Inte-Agro Limited) with effect from 1st July, 2009 by transfer of fixed and current assets, liabilities and provisions, trade marks, copyrights, licences, registrations, contracts, etc. relating to the seeds business at book value. The services of employees of the seeds business were also transferred to Excel Genetics Limited. The Company acquired 75% stake in Excel Genetics Limited by subscribing to its 1,50,000 equity shares of Rs. 10/- each at par and it thus became the Company's subsidiary.

7. SAFETY, HEALTH AND ENVIRONMENT

During the year, the Company made significant investment in upgrading effluent treatment facilities at its Bhavnagar Site. The Company continues to hold ISO-9001, ISO-14000 and ISO-18001 certifications which lead to a better working environment at manufacturing sites. The Company also continues to sustain its SA 8000 – Certification for Social Accountability for all its sites. Safety and fire fighting training programmes and mock drills are conducted regularly for the Company's employees. All the manufacturing sites of the Company are covered by safety audit.

8. QUALITY

The Company continues to maintain ISO:9001-2008 Quality Management System for all its three manufacturing sites at Bhavnagar, Gajod and Silvassa and the quality of its products is maintained and upgraded to the applicable national and international quality standards. The Company continues to enjoy the reputation of a consistent and reliable quality supplier and has received appreciation and awards from many of its key customers.