



EXCEL INDUSTRIES LIMITED
ANNUAL REPORT 1997-98



*Excel's passion for excellence is perfectly symbolised
in the blooming of a lotus. Rising from murky waters,
it struggles against all odds to reach the source of life-the Sun
and to experience a oneness with it.*

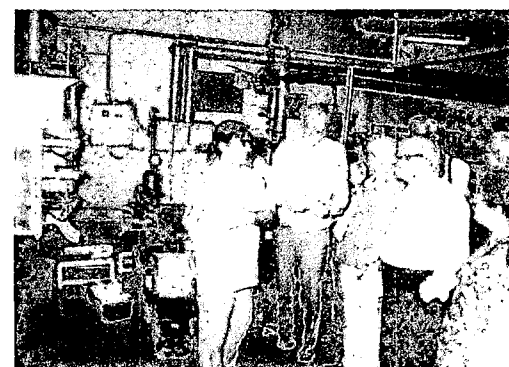
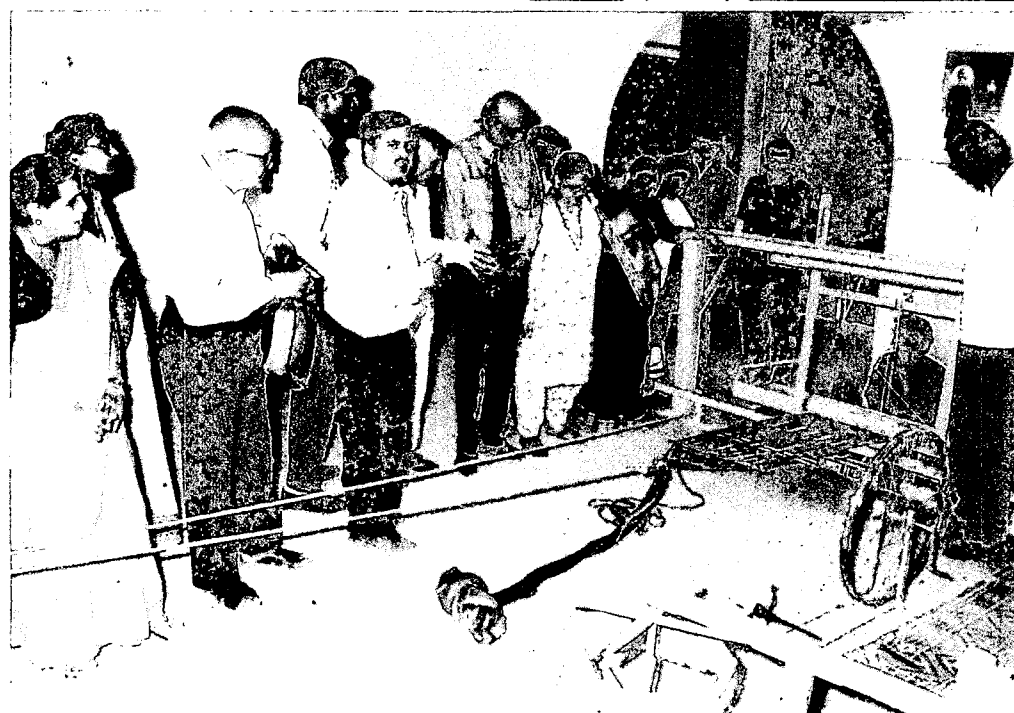
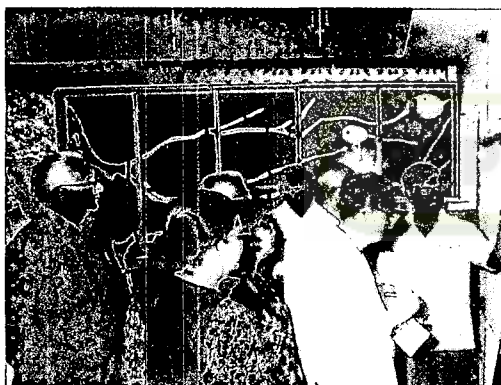
GLIMPSSES OF EXCELLENCE 1997-98

EXCEL INDUSTRIES LIMITED

MD				BKC	
CS				DPY	
RO				DIV	
TRA				AC	
AGM	✓	✓		SHI	
YE	✓	✓	✓		

Shareholders' Kutch visit :

Our valued shareholders made a visit to Kutch - not to see factory or plant, but the other facets of Excel at work in rural communities, lending a helping hand for land productivity, rural wealth generating activity and others.



Third Tea Meet : Team Excel brings together, each year, some of the finest and most committed professionals from the tea industry on a shared platform with a common objective - to work together and grow better tea.

On 3rd March, 1998, Team Excel discussed the problem of deteriorating soil



conditions in tea gardens and its impact on crop productivity and introduced 'CEL RICH', the bio-organic soil enricher that aids root activity, replenishes organic matter and rejuvenates the soil. The Tea Meet was a success with the growing confidence expressed by the stalwarts of the tea industry, that Excel is truly committed to finding solutions to common problems of tea productivity.



Excel Harvest Festival at Murum :



Murum is a village in Osmanabad district of Maharashtra, a pest ravaged, pulse growing area. Farmers who had participated in Excel's ICM (Integrated Crop Management) programme, celebrated their harvest in a year which witnessed widespread crop failure. Farmers voiced their appreciation of Excel's technical support and field extension activities and asked that the programme be extended into the next crop season as well. The function was well attended by the farmers as well as the government officials and ended with an entertainment programme by Mr. Mirza, a well-known comedian of rural Maharashtra.

Integrated Pest Management :

The Indian Crop Protection Association of India (ICPA), organised an IPM seminar at Delhi on 3rd April, 1997. The clear objective was to establish the active role of the Indian pesticide industry in propagating IPM and ICM practices in crop protection.

Excel was invited to present its contribution to IPM at this august gathering of pesticide regulatory officials, scientists and industry chiefs, being acknowledged as pioneers in promoting IPM Endocel as the ideal molecule that has the ability to spare predators, parasites and pollinators. Excel presented the latest rabi IPM trials on the Pigeon-pea, which was very well received by tur farmers in Murum, Osmanabad, Maharashtra.





Drip Irrigation Joint Venture Company : The joint venture with Netafim irrigation, Israel, took concrete shape during the year, with manufacture of first phase products starting as also completion of several important legal and administrative formalities. The next phase of manufacturing will commence soon, with the arrival of the balance machinery at site.

Management Development Programme - Offer and Receive :

Our Director and Corporate advisor, 'Guru' Narayana, conducting this unique 'Offer and Receive' training programmes for Excel's marketing and materials functions. The individuals, the respective functions and the Company benefit- a case of win-win-win!

Silvassa formulation unit :



Responding to the invitation of Union territory to help industrialise these areas, Excel set up a Glycel formulation unit at Silvassa (Dadra and Nagar Haveli).

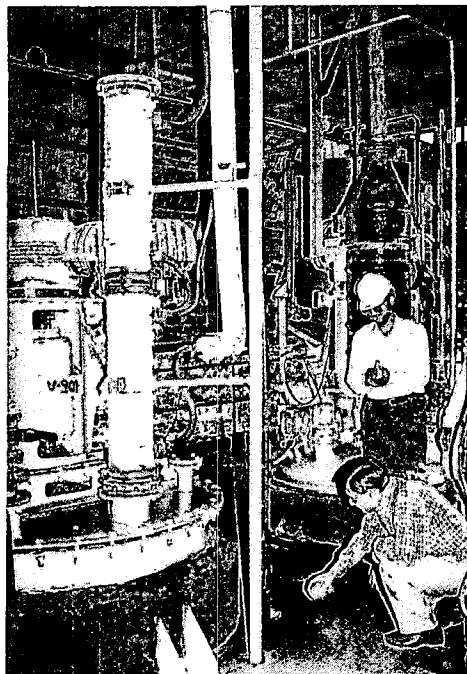
The unit will also be able to help fulfill larger demands for the company's formulation and avail of certain tax benefits offered by the union territories.



Herbal Extraction Plant:

Excel has taken an innovative step in a new direction by commissioning a pilot plant for herbal extraction at its production site at Lote Parashuram.

This will help in producing valuable inputs for herbal products for both domestic and export use. Konkan area is a suitable place for cultivating the required herbs. Excel has carried out important research and development to create several products in this field.



Awards : Dr. S.R. Maley,

Vice-President (Bio-Tech) has been awarded the prestigious "Man Of The Year-1998" Award by the American Biographical Institute Inc., USA, for his work in the field of Bio-Pesticides and other products.

ABI American Biographical Institute, Inc.

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National Association of Independent Publishers*

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February 6, 1998

Mr. S.R. Maley
21-C Nav Gharkul Society
Sidhartha Nagar, Vakola, Santa Cruz
Bombay-400051 INDIA



REPLY REQUESTED: MAN OF THE YEAR - 1998

Dear Mr. Maley:

I am delighted to announce your nomination for the prestigious title MAN OF THE YEAR - 1998. The Institute's International Board of Research decided on your nomination due to your overall accomplishments and contributions to society.

We have the pleasure of reviewing the endeavors of men around the world because of our list of recognized who's who titles. Singling out a limited number to receive the accolade MAN OF THE YEAR has been difficult indeed. Much deliberation was held to choose those whose achievements and dedication toward exemplary goals were among the best we have seen. My congratulations to you on your nomination.

Mr. Maley, the enclosed document describes the Award we haven chosen to commemorate the occasion. I wish you much continued success and look forward to hearing from you concerning your nomination for the 1998 MAN OF THE YEAR.

Sincerely,

J. M. Evans

J. M. Evans
Chief Executive Officer

Enclosures

Training Programme

at Akola: On 23rd February, 1998, the birth anniversary of Late Shri C. C. Shroff, the young Maharashtra team of the Marketing Department underwent a training programme at Akola.

A shift of focus from merely "Selling products" to "Providing services and solving problems of our customers" was one of the objectives of the programme.

Building a "Positive Team" to take up challenges of the approaching new year was another objective. The team was thrilled and enthused by the stories of our glorious past, during which Late Pappa and his colleagues built Excel with great dedication.

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Annual General Meeting on Monday, 20-7-1998 at 3.30 p.m.
At Jai Hind College Auditorium, Churchgate,
Mumbai 400 020.

A REQUEST

We are sure you will have read with interest the accounts for the year ended 31st March, 1998. You may desire to have some clarification or additional information on the said accounts 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.





BOARD OF DIRECTORS

D. S. SETH, *Chairman*
A. C. SHROFF, *Managing Director*
DIPESH K SHROFF, *Executive Director*
A. D. MANGO
P V S MANYAM
G. S. PATEL
R. C. KHANNA
G. NARAYANA
KISHORE MARIWALA
M. K. VADGAMA
ATUL G SHROFF
CYRIL SHROFF

SECRETARY

ARUN VEERAMONEY

BANKERS

Bank of India
Syndicate Bank
State Bank of India
Citibank N.A.
ABN Amro Bank N.V.

AUDITORS

S. V. GHATALIA & ASSOCIATES
Chartered Accountants

REGISTERED OFFICE

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

FACTORIES

Jogeshwari (W), Mumbai
Amboli Hill, Mumbai
Ruvapari Road, Bhavnagar
M.I.D.C. Area, Roha
Lote Parashuram, Chiplun
Silvassa, Union Territory of Dadra and Nagar Haveli.



EXCEL INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the THIRTY-SEVENTH ANNUAL GENERAL MEETING of the Members of EXCEL INDUSTRIES LIMITED will be held at Jai Hind College Auditorium, Churchgate, Mumbai - 400 020 on Monday, the 20th July, 1998, at 3.30 p.m. to transact the following business:

1. To consider and adopt the Profit and Loss Account of the Company for the year ended 31st March, 1998, 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. G. S. Patel who retires by rotation and is eligible for re-election.
4. To appoint a director in place of Mr. D. S. Seth who retires by rotation and is eligible for re-election.
5. To appoint a director in place of Mr. R. C. Khanna who retires by rotation and is eligible for re-election.
6. To appoint auditors and to fix their remuneration and in this connection 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 224-A and other applicable provisions, if any, of the Companies Act, 1956, Messrs S. V. Ghatalia & Associates, Chartered Accountants, the retiring Auditors of the Company, be and they are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration of Rs. 4,25,000/- plus reimbursement of actual travelling and other out-of-pocket expenses."

SPECIAL BUSINESS

7. To consider and, if thought fit, to pass with or without modification, as an ordinary resolution, the following:
"RESOLVED THAT the Board of Directors of the Company be and they are hereby authorised to appoint, in consultation with the Company's Auditors, any person or persons qualified for appointment as Auditor or Auditors of the Company under Section 226 of the Companies Act, 1956, to audit the accounts of the Company's Branch Offices at Delhi, Calcutta, Hyderabad and Ahmedabad for the financial year 1998-99, and to fix their remuneration."
8. To consider and, if thought fit, to pass with or without modification, as an ordinary resolution, the following:
"RESOLVED THAT the consent of the Company be and it is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company (hereinafter referred to as "the Board") for creating security by way of a second mortgage and charge on the fixed assets of the Company wherever situate, present and future, subject to such consents as may be necessary and subject to the existing mortgages and/or charges created from time to time for securing the working capital facilities availed of or to be availed of by the Company up to the extent of Rs.150 crores from the Consortium of Banks together with interest, additional interest, charges, costs, expenses and other monies whatsoever payable by the Company to the said Consortium of Banks in terms of the agreement/ documents to be executed by the Company in favour of the constituents of the Consortium in respect of the working capital facilities."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and they are hereby authorised to finalise with the Consortium of Banks, the documents for creating the aforesaid mortgage and /or charge and for reserving the aforesaid right and to do all such acts, deeds, matters and things that may be necessary, appropriate or expedient for giving effect to the above resolution."

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.