



**Excel Industries Limited**  
Annual Report 2000-2001

# Glimpses of Excellence



2000-2001

## Export Award



The Company has received a "Special Award" from CHEMEXCIL for the Outstanding Export Performance for the year 1999-2000. The Citation Award was presented at an impressive function held on 9<sup>th</sup> May 2001 at the hands of the Honourable Union Minister of State for Commerce & Industry, Shri Omar Abdulla.

## ISO 14001 Certification



The Bhavnagar unit, which is a major manufacturing site of the company, has received ISO 14001 certification. Bhavnagar has made remarkable progress in increasing efficiency of operations and also in achieving significant cost reduction, which will have positive effect for 2001-2002 and the years to come.



BUREAU OF INDIAN STANDARDS

### LICENCE FOR THE ENVIRONMENTAL MANAGEMENT SYSTEMS CERTIFICATION

Licence No. EMSC/L-000361

By virtue of the power conferred on it by the Bureau of Indian Standards Act, 1986 (33 of 1986), the Bureau hereby grants to

*Excel Industries Ltd.,  
6/2, Ruvaipatti Road,  
Bhavnagar - 364 005.*

the authority to use the right and licence to be listed in the Bureau's register of Licensees of Environmental Management Systems Certification in respect of the following activities:

*All activities of M/s Excel Industries Ltd.,  
Bhavnagar for manufacture and supply of  
Agro Chemicals and Industrial Chemicals*

Such activities shall be carried out by the licensee in conformity with the standards referred to above, and under the Environmental Management Systems in accordance with ISO 14001.

The licence is granted subject to the relevant provisions of the above Act and the rules and regulations made thereunder governing the licensees referred to above, and the licensee hereby covenants with the Bureau, duly to observe with the said Rules and Regulations.

The licence shall be valid from 16 March 2001 to 15 March 2004 and may be renewed as prescribed in the Regulations.

Signed, Sealed and Dated this Twenty Sixth day of March

Two Thousand ONE.

DIRECTOR GENERAL  
for BUREAU OF INDIAN STANDARDS

# Glimpses of Excellence



2000-2001

## The Earthquake in Kutch ... and Excel



The catastrophe that occurred in January 2001 in the form of an intensive earthquake was devastating. Excel, through its voluntary organisations viz. Vivekananda Research & Training Institute, Shrujan and Shroffs Foundation Trust, has participated in the process of Relief and Rehabilitation operations. Now the process of Reconstruction is on in an integrated manner, keeping in view our cultural heritage, the needs of the people, and the necessity of enabling a New Kutch to emerge.



## C.C. Shroff Gnyan Mandir

The Library has been a source of knowledge and learning for all members of Excel, in the areas of science, technology, management and leadership. Now the various libraries and knowledge sources of the world are connected through the Internet and are available to all members of Excel. The new library which contains Internet facilities in addition to the storehouse of books, is now named "C.C. Shroff Gnyan Mandir", in remembrance of the founder Shri C. C. Shroff, who was a genius in science and technology, and a noble humanitarian.



# Glimpses of Excellence



2000-2001

## The first export consignment of Bio Products to the Philippines

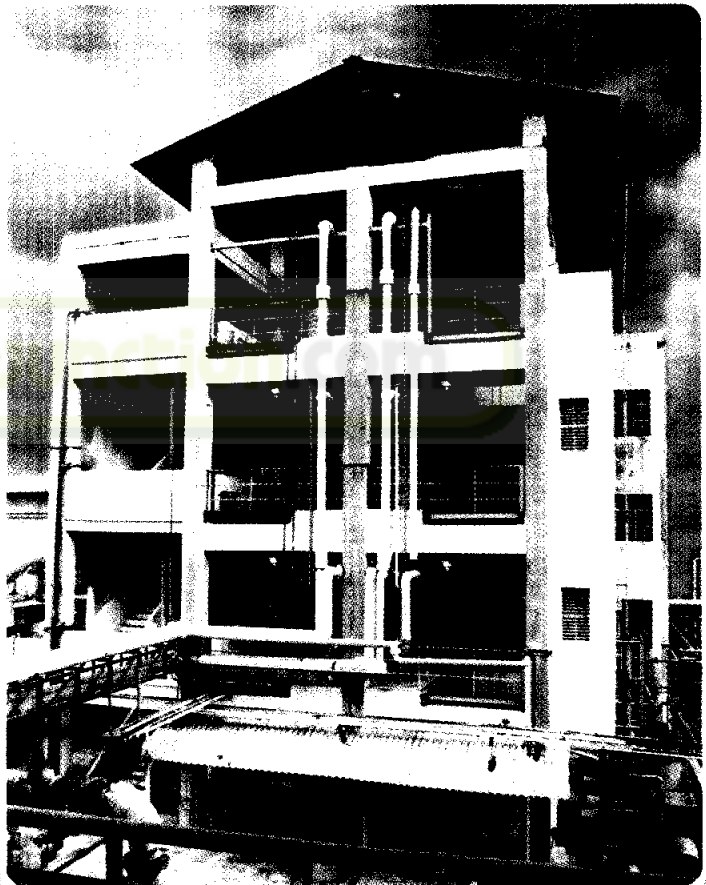


Following the successful demonstration of the Excel process in treating municipal solid waste at Quezon city in the Philippines, the company has started exporting Bio Culture and products for sanitation to that country, a first for the company.

## A new plant to manufacture a speciality polymer additive

At Lote Parshuram, one of Excel's production sites, world-class manufacturing standards were established. A new plant was inaugurated to produce a speciality polymer additive entirely for the export market.

The Company also completed a major expansion/modernization project at the phosphonates manufacturing facility at Lote Parshuram. This has helped the company to operate the plant with a high degree of automation, to consistently achieve a high quality of the product and to meet the increasing global demand.



# Glimpses of Excellence



2000-2001

## The Products as Offerings



A Satyanarayana Pooja was held in the Marketing Section of the Agribusiness Unit. The temple was made of the Company's different product packs, thus representing the customer as God, the products as offerings and the marketing people as the worshippers.

## Meeting of Agribusiness Division

The Agribusiness Division met to review its operations and to generate operational strategies in the changing scenario of Indian and overseas markets, as well as to create initiatives for better manufacturing operations.



## New Products



Excel is a trusted name amongst farmers and agriculturists all over India, and is highly respected for product quality and service to the farmer. The Company now plans to enter the paddy segment in a major way as well as strengthen its market-share in other sectors by launching new products such as:

**Celcron** : A Profenophos-based insecticide, which has an ovicidal action and is excellent for control of heliothis and other bollworms on cotton.

**Bipex** : A Carbamate-based insecticide for total control of brown plant hopper in paddy.

**Hexzol** : A Triazole-based fungicide for control of fungal diseases on paddy and chillies.

**EXCEL INDUSTRIES LIMITED****NOTICE**

NOTICE is hereby given that the FORTIETH ANNUAL GENERAL MEETING of the Members of EXCEL INDUSTRIES LIMITED will be held at Patkar Hall, S.N.D.T. Women's University, 1, Nathibai Thackersey Road, Mumbai-400 020 on Thursday, the 20th September, 2001 at 3.30 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, 2001, 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. R. C. Khanna who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a director in place of Mr. A. D. Mango who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a director in place of Mr. P. V. S. Manyam who retires by rotation and being eligible, offers himself for reappointment.
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. 7,50,000/- plus service tax, reimbursement of actual travelling and other out-of-pocket expenses in connection with the work of audit to be carried out by them."

**SPECIAL BUSINESS**

7. To appoint Mrs. Usha A. Shroff as a director of the Company.
8. 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, Kolkata, Hyderabad and Ahmedabad for the financial year 2001-2002, and to fix their remuneration."

9. 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 creation by the Board of Directors of the Company of such mortgages, charges and hypothecations in addition to the existing mortgages, charges and hypothecations on such of the assets of the Company, both present and future, as may be decided by the Board in favour of the financial institutions/banks/other lenders/trustees for the holders of debentures/bonds/other instruments which may be issued to and subscribed by the financial institutions/banks/other lenders by way of private placement or otherwise, to secure loans, debentures, bonds or other instruments of an amount not exceeding Rupees Fifty Crores together with interest thereon at the respective agreed rates, costs and all other moneys, expenses and fees payable by the Company to the aforesaid parties or any of them under the Agreements/Arrangements entered into/to be entered into by the Company in respect of the said loans, debentures, bonds or other instruments."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the aforesaid parties, the documents for creating the mortgages, charges and hypothecations and accepting or making any alterations, changes, variations to or in the terms and conditions, to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary for the purpose of giving effect to this 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.
2. An Explanatory Statement relating to the Special Business under Item Nos. 7 to 9 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 Wednesday, the 5th September, 2001 to Thursday, the 20th September, 2001 (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 the Company in respect of their physical shares, quoting Folio No.

For and on behalf of the Board of Directors

G. NARAYANA  
*Executive Chairman*

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

*Mumbai, 27th July, 2001.*



**EXCEL INDUSTRIES LIMITED****ANNEXURE TO THE NOTICE**

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

**Item No. 7**

Mrs. Usha A. Shroff was appointed as a Director of the Company with effect from 13th September, 2000 under Article 11(g) of the Articles of Association of the Company and as per the provisions of Section 262 of the Companies Act, 1956, to fill the casual vacancy on the Board caused by the resignation of Mr. G. S. Patel. Mrs. Usha A. Shroff holds the office as a director of the Company up to the date up to which Mr. G. S. Patel in whose place she was appointed, would have held the office viz. up to the date of the ensuing Annual General Meeting of the Company.

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 Mrs. Usha A. Shroff as a candidate for the office of the Director of the Company. The requisite deposit of Rs. 500/- has been duly received from such member.

Mrs. Usha A. Shroff has wide experience and expertise in the operations, finance, accounts and corporate management. It would, therefore, be in the interest of the Company that the Board should continue to avail of the benefits of her experience and expertise. The Board commends her appointment.

Mr. A. C. Shroff and Mrs. Usha A. Shroff are concerned or interested in this resolution. None of the other Directors of the Company is, in any way, concerned or interested in this resolution.

**Item No. 8**

The Company has branch Offices at Delhi, Kolkata, Hyderabad and Ahmedabad. It may be necessary to appoint Auditors other than the Company's Auditors to audit the accounts of the said Branches.

Under Section 228 of the Companies Act, 1956, the appointment of Auditors other than the Company's Auditors to audit the accounts of the said Branches can only be made by the Board if it is authorised by the Company in General Meeting to do so. The Resolution at item No.8 of the Notice seeks to confer on the Directors, power to appoint such Auditors in consultation with the Company's Auditors and to fix the remuneration of such Auditors.

None of the Directors of the Company is, in any way, concerned or interested in this resolution.

**Item No. 9**

The Company proposes to borrow moneys through issue of debentures/bonds/other instruments by way of private placement or otherwise and term loans from the financial institutions/banks/other lenders for the purpose of meeting the Capital Expenditure and Long Term Working Capital requirements in view of the new projects and expansion programmes undertaken/to be undertaken by the Company.

The aforesaid borrowings by the Company are required to be secured by creating mortgages/charges/hypothecations on all or part of the immovable and/or movable assets of the Company, present and future, in favour of the financial institutions/banks/other lenders/trustees which may be regarded as disposal of the undertaking of the Company or a substantial part thereof, in terms of Section 293 (1) (a) of the Companies Act, 1956.

Section 293 (1) (a) of the Companies Act, 1956 provides inter alia that the Board of Directors of the Company shall not, without the consent of such Company in general meeting, sell, lease or otherwise dispose of the whole or substantially the whole of such undertaking. Hence, the resolution at Item No.9 of the Notice is recommended for your approval.

None of the directors of the Company is, in any way, concerned or interested in this resolution.

For and on behalf of the Board of Directors

G. NARAYANA  
Executive Chairman

*Registered Office:*

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

Mumbai, 27th July, 2001.



### DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name of the Director	Mr. R. C. Khanna	Mr. A. D. Mango	Mr. P. V. S. Manyam	Mrs. Usha A. Shroff
Date of Birth	3-5-1926	24-11-1915	10-5-1922	28-3-1947
Date of Appointment	17-7-1989	18-6-1964	19-4-1978	13-9-2000
Expertise in specific Functional areas	Leading professional with wide experience in Corporate Legal Matters	Business Executive with wide experience in Chemicals and Agro Chemicals Industry	Business Executive with wide experience in Chemicals Industry	Industrialist with wide business experience
Qualifications	Chartered Accountant	Bachelor of Philosophy	M.Tech. (Industrial Chemistry), M.S. (Chemical Engineering)	M.Com. with Cost Accounting
List of the other Public Companies in which Directorship held as on 31st March, 2001	<ol style="list-style-type: none"> <li>Ador Technopak Ltd.</li> <li>Kotak Mahindra Asset Management Co. Ltd.</li> <li>Monsanto India Ltd.</li> <li>Schrader Duncan Ltd.</li> <li>Shriram Investments Ltd.</li> <li>Tata Chemicals Ltd.</li> </ol>	NIL	NIL	<ol style="list-style-type: none"> <li>Agrocel Industries Ltd.</li> <li>Anshul Chemicals Ltd.</li> <li>Kamaljiyot Investment Ltd.</li> <li>Nirmal Colorants &amp; Chemicals Mfg. Co. Ltd.</li> <li>Shree Resham Textile Mills Ltd.</li> <li>Transmetal Ltd.</li> <li>Waman Industrial Chemicals Ltd.</li> </ol>
Chairman/Member of the Committee of Board of the other Public Companies on which he is a Director as on 31st March, 2001	<ol style="list-style-type: none"> <li>Audit Committee Chairman – Tata Chemicals Limited</li> <li>Audit Committee Chairman – Kotak Mahindra Asset Management Company Limited</li> <li>Shareholders'/Investors' Grievance Committee – Chairman, Monsanto India Limited</li> </ol>	NIL	NIL	NIL

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**EXCEL INDUSTRIES LIMITED****DIRECTORS' REPORT**

TO THE MEMBERS,

Your Directors have pleasure in presenting the Fortieth Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2001.

**1. FINANCIAL RESULTS**

The salient features of the Company's working are:

	(Rupees in lacs)	
	<b>2000-01</b>	<b>1999-2000</b>
Gross profit for the year was	<b>15,17.76</b>	36,58.30
Less: Depreciation	<b>10,30.95</b>	9,38.78
Leaving a net profit subject to taxation of	<b>4,86.81</b>	27,19.52
Less: Taxation	<b>45.00</b>	6,00.00
	<b>4,41.81</b>	21,19.52
Add/(Less) thereto:		
Transfer from Investment Allowance Reserve	—	1,05.00
Debenture Redemption Reserve	—	4,00.00
Export Profit Reserve	—	24.00
Excess Provision for Taxation for earlier years (Net)	<b>2,18.54</b>	—
Adjustments in respect of earlier years (Net)	<b>(4,65.10)</b>	(86.01)
	<b>1,95.25</b>	25,62.51
Add thereto:		
Balance brought forward from the previous year	<b>10,55.41</b>	11,00.79
Leaving a balance available for disposal of	<b>12,50.66</b>	36,63.30
Appropriations:		
Interim Dividend	—	8,17.92 (75%)
Proposed Dividend	<b>2,72.64 (25%)</b>	—
Tax on Dividend	<b>27.81</b>	89.97
Transfer — Debenture Redemption Reserve	—	2,00.00
— General Reserve	<b>1,00.00</b>	15,00.00
	<b>4,00.45</b>	26,07.89
Carried forward to next year	<b>8,50.21</b>	10,55.41