

Excel Industries Limited

Annual Report 2002-03



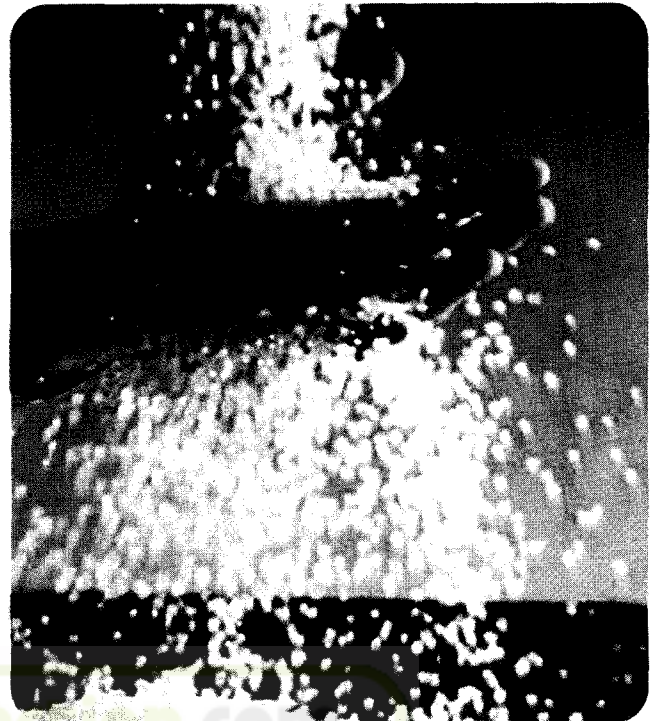
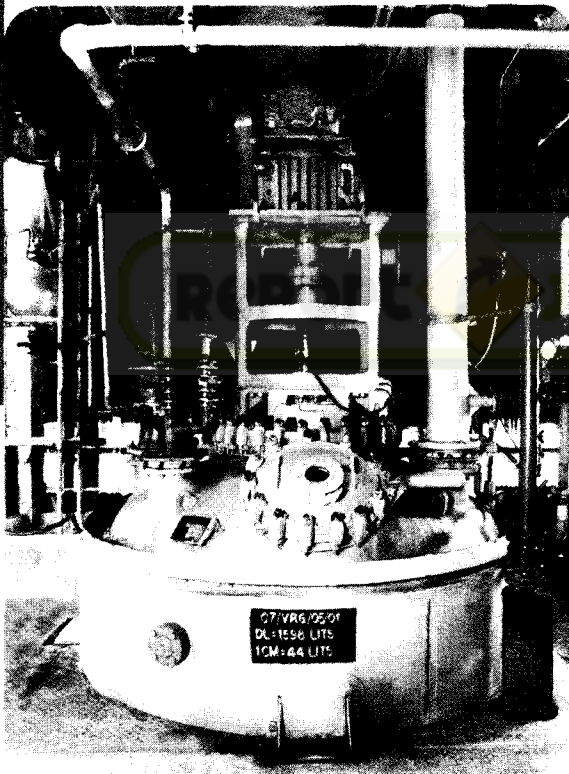
*The strength of Excel Industries Limited lies in its core competency of chemistry.
The cover depicts the blending of Chemicals, Pharmaceuticals, Bio-products and Services,
as focus areas of the company's aspirations and growth.*



Excel Industries Limited

PEEB - product development

During the year, the Company commenced commercial supplies of PEEB - a critical input in the manufacture of Polypropylene in India. The supplies were made to the largest manufacturer of Polypropylene, enabling the customer to substitute the imports.

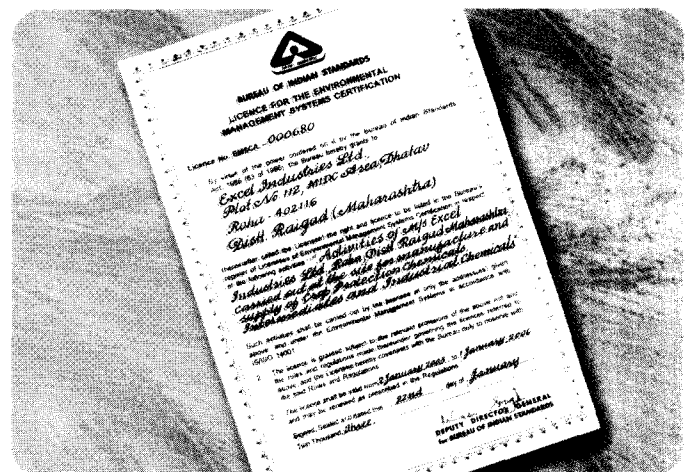


Amalgamation of Waman Industrial Chemicals Limited

Waman Industrial Chemicals Limited was amalgamated with the Company effective 19th August 2002. A smooth transition of integrating the operation was effected combined with a substantially higher production of Phosphorus Pentasulphide, than in the previous year.

Roha gets ISO 14000

Keeping in line with the highest priority accorded to concerns regarding EHS (Environment, Health and Safety), the Company's unit at Roha received the IS/ISO 14001 Certificate consequent to audits conducted by Bureau of Indian Standards.

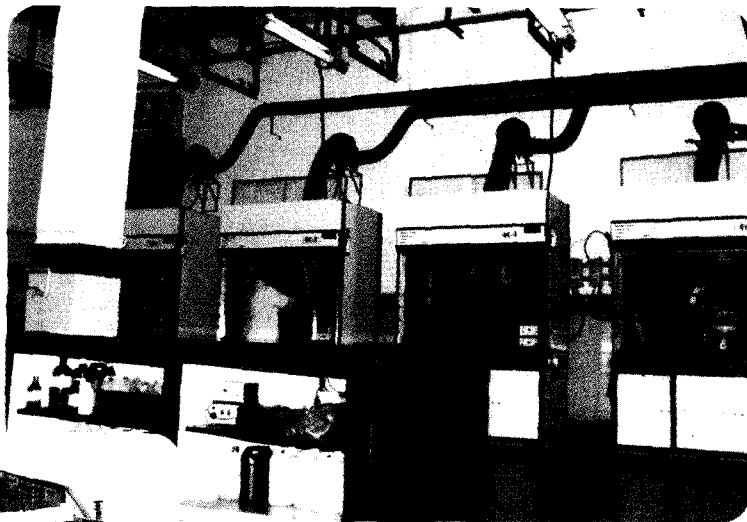




Excel Industries Limited

R&D gets a fillip

A well-equipped Research and Development Centre was commissioned at the Lote Parshuram manufacturing unit. This Centre will support the Process Development & Synthesis of Pharmaceutical Intermediates being manufactured there.



Community Projects

Excel cares for the community in different ways. An eye camp was conducted for villagers in the vicinity of Lote Parshuram, where over 185 patients participated. Excel also helped train women in tailoring and other activities which enable them to work part-time and earn a living for themselves.





Excel Industries Limited

INDIACHEM Exhibition 2002

The Company endeavours to reach the customers by participating in National & International Exhibitions. The Company's executives are seen welcoming dignitaries to the company's stall during India-Chem Exhibition 2002, held in New Delhi in September 2002. Our participation generated keen interest in the company and its products.



Successful launching of 'HERBOZYME'



A new product 'Herbozyme' was launched during the year. "HERBOZYME" is a Biological Plant Growth Nutrient in liquid and granular form. This product is manufactured through multistage fermentation technology. Its unique formula contains a combination of plant nutrients in the form of proteins and protein hydrozates, organic acids with biologically active micro and macro nutrients.



Tree Plantation Drive

This is our important social program and Excel has distributed around 40,000 saplings since 1995 to nearby villages. Excel members participated in planting and protection of trees. This year 2000 trees were planted in Dhataav School.



Excel Industries Limited

Learning and Training

A special training program was conducted for young engineers and scientists to enhance their potential regarding attitudes, skills and capabilities.



Excel congratulates Sania Mirza

Encouraging excellence has been the practice at Excel since its inception. Mrs. Usha Ashwin Shroff, our director and Mrs. Ganeshan - who is a social contributor - met tennis champion Sania Mirza and congratulated her achievement at Wimbledon. On behalf of the company, Ushabhabhi also presented her a hand-embroidered jacket made by Shrujan.

Enriching Managerial Leadership Meet

An interactive learning program was conducted for Senior Executives of Excel and its associate companies. The theme was 'Collaborating for a creative future' and participants were enriched with presentations by doyens of the industry - Mr. J.J. Irani, Dr. M.B. Athreya, Dr. Pritam Singh and Dr. Rishi Kumar Pandya.



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*Annual General Meeting on Monday 29-12-2003 at 11.00 a.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 2002-03. 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.

CHAIRMAN EMERITUS

K. C. SHROFF

BOARD OF DIRECTORS

G. NARAYANA, *Executive Chairman*

A. C. SHROFF, *Managing Director*

DIPESH K. SHROFF, *Joint Managing Director (up to 31.8.2003) and
Additional Director (w.e.f. 3.9.2003)*

S. R. POTDAR, *Executive Director (w.e.f. 3.9.2003)*

A. D. MANGO

P. V. S. MANYAM

M. K. VADGAMA (*up to 15.11.2002*)

ATUL G. SHROFF

USHA A. SHROFF

RAMCHANDRA N. BHOGALE

H. N. MOTIWALLA

P. S. JHAVERI (*w.e.f. 28.10.2002*)

(LATE) A. N. PODDAR (*28.10.2002 to 5.12.2002*)

SECRETARY

PRAVIN D. DESAI

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, Andheri (W), Mumbai
M.I.D.C. Area, Roha
M.I.D.C. Area, Lote Parashuram
Dhaba Kotla Road, Vijayawada
Baherampura, Ahmedabad

EXCEL INDUSTRIES LIMITED**NOTICE**

NOTICE is hereby given that the FORTY-SECOND ANNUAL GENERAL MEETING of the Members of EXCEL INDUSTRIES LIMITED will be held at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai-400 020 on Monday, the 29th December, 2003 at 11.00 a.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, 2003, 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. A. D. Mango who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a director in place of Mr. P. V. S. Manyam who retires by rotation and being eligible, offers himself for reappointment.
5. 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 to be fixed by the Board of Directors."

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification, as an ordinary resolution, the following:
"RESOLVED THAT Mr. P. S. Jhaveri, who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 11(f) of the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting and being eligible for reappointment 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 Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."
7. To consider and, if thought fit, to pass with or without modification, as an ordinary resolution, the following:
"RESOLVED THAT Mr Dipesh K. Shroff, who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 11(f) of the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting and being eligible for reappointment 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 Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."
8. To consider and, if thought fit, to pass with or without modification, as an ordinary resolution, the following:
"RESOLVED THAT Mr. S. R. Potdar, who was appointed as Executive Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 11(f) of the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting and being eligible for reappointment 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 Director of the Company, be and is hereby appointed as Director of the Company."

9. To consider and, if thought fit, to pass with or without modification, as an ordinary resolution, the following:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and pursuant to a resolution passed by the Remuneration Committee of Directors of the Company and subject to such other approvals as may be necessary, consent of the Company be and it is hereby accorded to the appointment of Mr. S. R. Potdar to the office of Executive Director of the Company for a term of five years with effect from 3rd September, 2003, on the terms and conditions including remuneration as set out in the draft Agreement between the Company and Mr. S. R. Potdar placed before the meeting and duly initialled by the Chairman for the purpose of identification."

10. To consider and, if thought fit, to pass with or without modification, as an ordinary resolution, the following:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and pursuant to a resolution passed by the Remuneration Committee of Directors of the Company and subject to such other approvals as may be necessary, consent of the Company be and it is hereby accorded to the increased remuneration of Mr. G. Narayana, Executive Chairman, for the rest of his tenure as set out in the draft Agreement between the Company and Mr. G. Narayana, placed before the meeting and duly initialled by the Managing Director for the purpose of identification."

11. To consider and, if thought fit, to pass with or without modification, as an ordinary resolution, the following:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and pursuant to a resolution passed by the Remuneration Committee of Directors of the Company and subject to such other approvals as may be necessary, consent of the Company be and it is hereby accorded to the increased remuneration of Mr. A. C. Shroff, Managing Director, for the rest of his tenure as set out in the draft Agreement between the Company and Mr. A. C. Shroff, placed before the meeting and duly initialled by the Chairman for the purpose of identification."

12. 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 372A and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorised to invest from time to time sums not exceeding US \$ 170,000 in the equity share capital of Wéxam Limited, Hong Kong, a proposed joint venture company co-promoted by the Company, notwithstanding the fact that such investment will exceed the limits set by Section 372A of the Companies Act, 1956."

13. 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 372A and other relevant provisions of the Companies Act, 1956 and subject to the necessary approvals, if any, thereunder, the resolution of the Board of Directors of the Company passed at the meeting held on 6th August, 2003 for giving corporate guarantees in respect of the loans granted to the Company and transferred to Excel Crop Care Limited under the Scheme of Arrangement as approved by the Hon'ble High Court of Judicature at Bombay and the corporate guarantees given thereunder be and are hereby approved and confirmed."

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. 6 to 12 as required under Section 173(2) of the Companies Act, 1956, is annexed hereto.