



Growth & Expansion

EXCEL INDUSTRIES LIMITED
57th Annual Report 2017-18



AGM Map and details

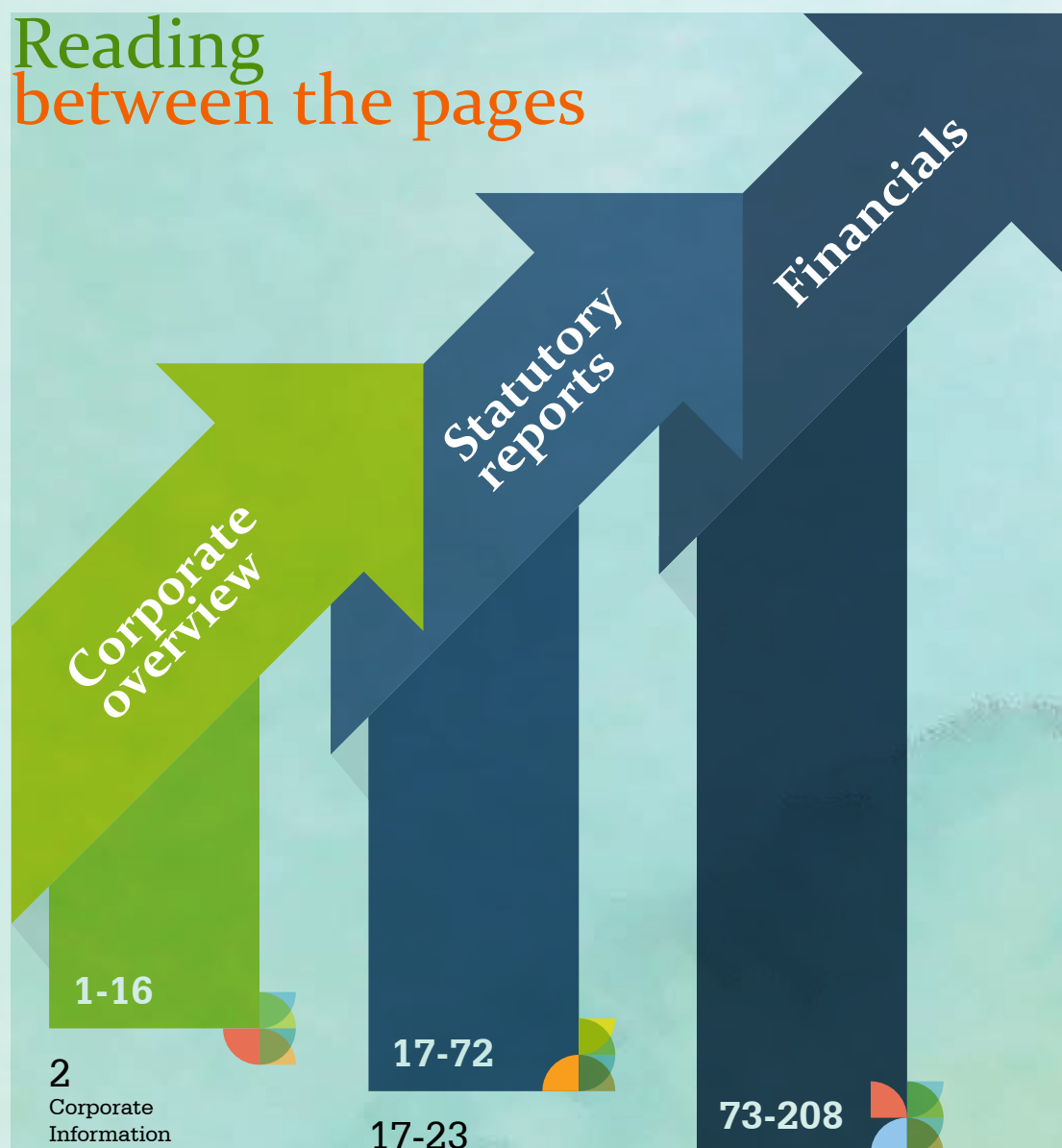


57th Annual General Meeting
on Thursday, 9th August, 2018 at 3.00 p.m.
at Rama and Sundri Watumull Auditorium,
Kishinchand Chellaram College,
Dinshaw Wachha Road,
Churchgate, Mumbai-400 020.

DISCLAIMER

This document contains statements about expected future events and financial and operating results of Excel Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Excel Industries Limited Annual Report 2017-18.

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EXCEL INDUSTRIES LIMITED

Corporate Information

Chairman Emeritus

Kantisen C. Shroff

G. Narayana

Board of Directors

Ashwin C. Shroff: *Chairman & Managing Director*

Usha A. Shroff: *Executive Vice Chairperson*

Ravi A. Shroff: *Executive Director*

Atul G. Shroff: *Non-Executive Director*

Dipesh K. Shroff: *Non-Executive Director*

R. N. Bhogale: *Independent Director*

H. N. Motiwalla: *Independent Director*

P. S. Jhaveri: *Independent Director*

M. B. Parekh: *Independent Director*

S. S. Vaidya: *Independent Director*

R. M. Pandia: *Independent Director*

R. K. Sood: *Nominee Director (LIC)*

Chief Executive Officer

N R Kannan

President - Environment & Biotech Business and Corporate Services

Hrishit A. Shroff

Chief Financial Officer

Devendra Dosi

Company Secretary

Surendra K. Singhvi

Auditors

Price Waterhouse Chartered Accountants LLP

Bankers

Bank of India

State Bank of India

Axis Bank Limited

HDFC Bank Limited

Registrar & Transfer Agent

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg, Vikhroli (W),
Mumbai-400 083

Tel: +91 22 49186000, Fax: +91 22 49186060

e-mail : rnt.helpdesk@linkintime.co.in

web : <http://www.linkintime.co.in>

Registered office

184-87, Swami Vivekanand Road, Jogeshwari (West),
Mumbai 400 102. Tel : 6646 4200

e-mail: excel.mumbai@excelind.com

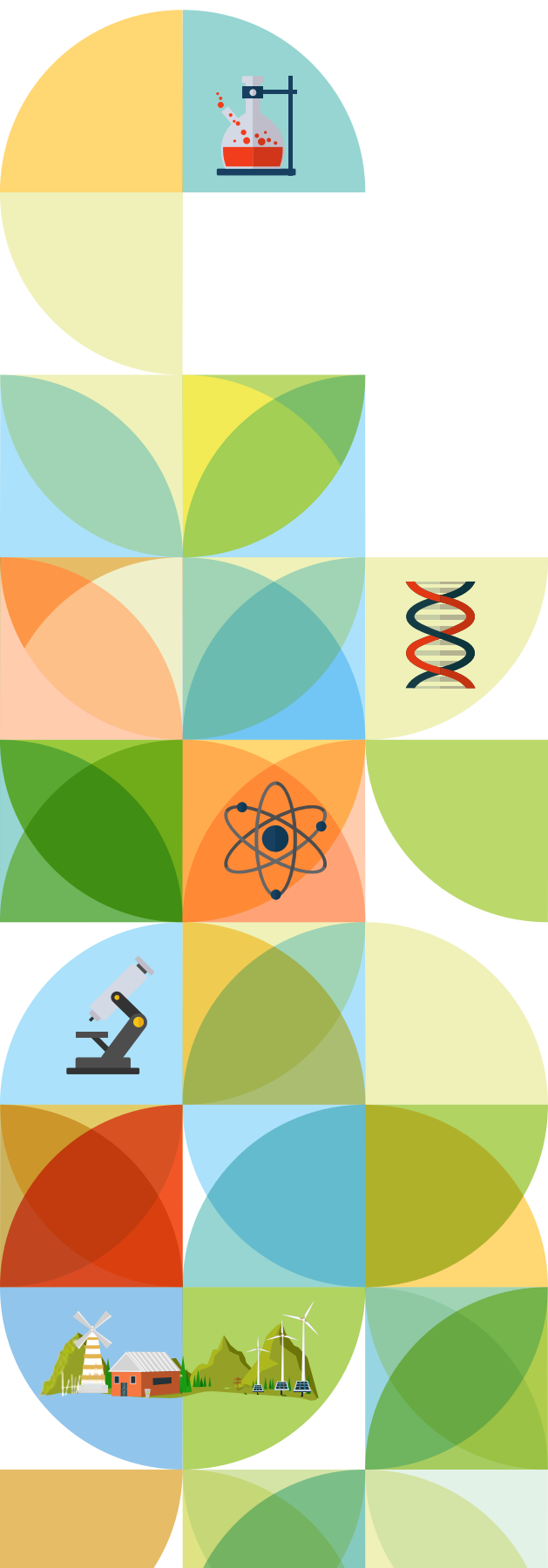
web : <http://www.excelind.co.in>

Factories

M.I.D.C. Area, Roha, Maharashtra.

M.I.D.C. Area, Lote Parshuram, Maharashtra.

Baherampura, Ahmedabad, Gujarat.



For over seven decades innovation and sustainable business practices have been the cornerstone of growth at Excel Industries Limited.

Yet in today's fast-paced and competitive business climate, it may even be more crucial to embrace growth-fuelling expansion opportunities.

We have always considered growth and expansion as an integral part of our business cycle. Over the years, we have successfully upgraded our existing product lines and introduced new products across all verticals. Besides, we have generously invested towards environment compliant practices and promoted sustainable business growth.

Growth and expansion is the result of our future demand anticipation and understanding customer's mindset. It further reflects our domain expertise and the sustainable edge that we have built over the years.

Investor information

BSE code: 500650

NSE code: EXCELINDUS

Bloomberg code: EXL:IN

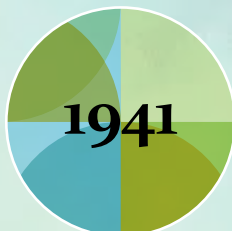


Excelling Sustainability

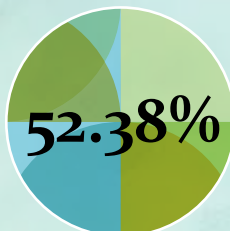
Established in 1941 and headquartered in Mumbai, we are amongst India's first domestic chemical manufacturers. We have pioneered indigenous chemical technology and adopted sustainable waste management practices in India.

Over the years, we have adopted several innovative chemical process breakthroughs and adopted best-in-class technological enhancement in our operations. Our product lines comprise chemicals for Agro Industry, Specialty Chemicals, Polymer Inputs and Pharmaceutical APIs & Intermediates.

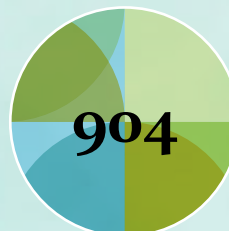
As a responsible corporate, we are equally sensitive to the needs of the environment and community. Our Environment & biotech division has recently installed state-of-the-art effluent treatment plant and developed innovative solutions in the areas of waste management, thus contributing to sustainable environmental practices.



Year of establishment



Promoters' holding as on 31st March 2018



Employees as on 31st March 2018



OUR CORE COMPETENCIES

- Innovation
- In-house research and development
- Backward integration
- Rich product portfolio
- Cost-efficiency
- Quality
- Environment-friendly processes
- Ethos and Ethics



OUR VALUES

We firmly believe that long term corporate success has its roots in strong value based growth. Our values are the ideas that define and drive us, convey our vision for the future and the means with which we will realise this vision.



DYNAMISM

Agility and adaptability are essential qualities for a modern corporation. In a world where technology and market conditions are constantly in a state of flux, it is our ability to change that helps us emerge stronger.



COMPASSION

To balance the needs of others with our growth it is essential that we first understand their concerns. From the senior management to the workers on the factory floor, everyone at the Excel Family is committed to making a difference to our larger goals and it all begins with a sympathetic ear and an open mind.



EXPERTISE

From research to manufacturing, from factory floor to shipped goods, we strive for excellence in every facet of our operations.



TRADITION

We are proud of our heritage and the ideals that have enabled our growth. As we poise for our next phase of growth, our company traditions and values, suitably adapted to the changing environment over the time, will be our guiding lights.

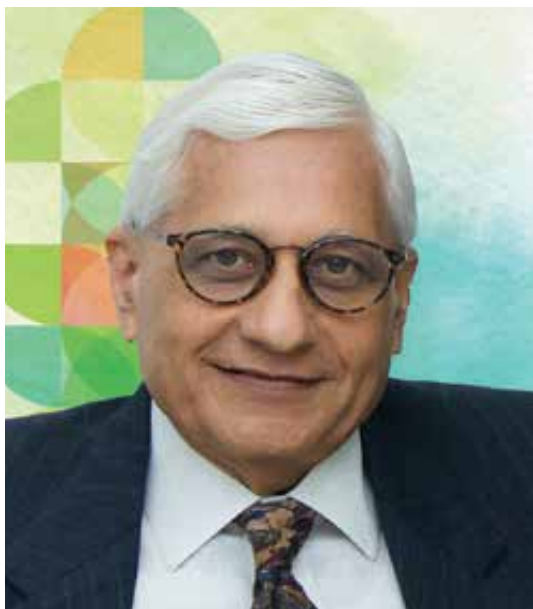


EMPLOYEES' LOYALTY

Average service years of the employees are 20 years which reflects their trust and loyalty towards the Company.



Chairman's Message



While we continue to strengthen our endeavours towards implementing environment-friendly practices, we have further charted out our next phase of sustainable growth and expansion path.

Dear Stakeholders,

It is my honour to present you this year's annual report. It is no secret that a successful business is one that has the ability to change in order to meet the societal needs. I am pleased to share that your Company has been successful in creating markets by understanding societal needs and generating solutions and has adopted progressive growth and expansion strategies for a bright future ahead.

The stakeholders are becoming increasingly interested in sustainability and our impact on the environment. We are constantly adopting new processes and analysing the impact they are having on the future. In order to build a customer-oriented product development company, we have introduced innovative production techniques and modelling high quality sustainable products. While we continue to strengthen our endeavours towards implementing environment-friendly practices, we have further charted out our next phase of sustainable growth and expansion path.

I am glad to report that Mr N R Kannan has joined us as the Chief Executive Officer. He possesses in-depth knowledge and experience in the chemicals business. His dynamic leadership qualities will further aid sustainable development of the Company.

We devote ourselves for the well-being of the business and society at large. Our continuous research and development efforts allow us to upgrade our product portfolio across the segment, with near-zero impact on the environment. We seek to maximize this value by focusing on the basics: a sound financial structure, solid revenue base, and steady growth. We also strive to earn your trust and respect by practicing corporate responsibility, ethics, and integrity in all areas of governance.

Thank you once again for your interest in the Company and relentless support. Everyone at Excel Industries pledges to do our best to become a global leading company. We shall achieve this recognition not only within the market, but also among customers around the world. We hope for your continued support and encouragement in 2018-19 as well.

Best Wishes,

Ashwin C Shroff

At Excel, we are preparing to capitalise on growth opportunities in the coming years and building a sustainable future

The financial year 2017-18 saw a massive shake up in the supply of chemicals across the world. The Chinese Ministry of Environmental Protection has enforced stringent norms and strict penalties on the chemical manufacturers flouting the environmental norms. This has resulted in many plant shutdowns and softening of China's chemical exports. The industry had to deal with this new normal and shortage of raw materials. The strong demand-pull owing to the vacuum created by the Chinese suppliers has created opportunities and challenges for the chemical industry globally. The Indian Chemical Industry is at an inflection point. Excel is well positioned to deal with the changing environment.

Our business model has sharply evolved over the years. It allows us to flexibly adapt to the changing business environment. We have also developed an efficient risk management framework that identifies the possible external risks and makes us ready to mitigate and deliver good results. At Excel, we are preparing to capitalise on growth opportunities in the coming years and building a sustainable future.

During the year, we continued to remain market-focussed and made continuous improvements in terms of quality and cost towards managing the customers in a better way. We have dedicated resources in place to capture further market share by becoming the preferred supplier for all of our products. Besides, our API intermediates products continued to witness stable demand. Over the years we have put steady efforts for the growth of this business. We also received DGCI approval for manufacturing Tenegliptin API. This gives us an opportunity to market this product. Today our products are successfully accepted and positioned for growth in the coming years.

At Excel Industries, it's our management philosophy to contribute to the progress of society through our products that meet the societal needs. Since inception of the Company sustainable and ethical way of working has always been our core focus. Our growth and expansion plans are largely centered around business well-being, keeping in mind the best environmental practices. During 2017-18, we have made significant investments in upgrading our effluent treatment plant to further reduce the environmental load. It further improves the process and overall efficiencies. We are also 'Responsible Care' certified member of ICC.

Going ahead, we aim to strengthen our market share and positioning for all our products. We also look forward to building strategic relations with our customers for a sustained growth and also focus on enhancing cash flow cycles and overall business efficiencies.

Ravi A Shroff

Executive Director



Sustainable practices have enabled innovative waste management techniques

India generates a whopping 69 million tonnes of Municipal Solid Waste (MSW) annually out of which 80% is indiscriminately disposed of at dump yards in an unhygienic manner. With Swachh Bharat and Smart Cities Mission, the limelight thrown on waste management is fast transforming the domain into a lucrative business space. India is definitely headed on the right path but how fast are we adapting and innovating for a revolutionary change is still the question.

Design and policy driven sustainable technological solutions are where we should be headed as a country fighting its garbage. With a well-grounded expertise in waste management, Excel is right at the forefront of this drive. Our journey has been evolutionary and disruptive at the same time, starting with urban scale centralised MSW treatment solutions, we transcended into decentralised organic waste converters (OWC) and recently introduced ORComin a well-designed compact composter to manage smaller quantities of waste. At Excel we are constantly exploring and iterating our solutions to make it smart, cost-effective and accessible to a larger audience.

Hrishit A Shroff

President – Environment & Biotech Business and Corporate Services



CEO's Perspective



As a business, we are now at a juncture that presents multiple opportunities.

Dear Shareholders,

Since my joining Excel Industries Limited in July 2017, it has been an exciting journey so far. There had been some rapid changes in the industry, which had tested our team's responsiveness and agility. While my primary role was to enhance customer and market focus, I also initiated rigorous monthly reviews of the operations to further enhance efficiencies.

As a business, we are now at a juncture that presents multiple opportunities. While our core phosphorous business presents good platform for growth, a strong focus on our customers in select export markets, backed up by commensurate service levels in these areas will be key to its success. In Pharma, we plan to consolidate our positions with aggressive growth in the market share for our existing products. Work is underway to obtain relevant regulatory approvals to support growth plans in both areas.

Future is built on what efforts we take now. A specific team has been formed to work on new business development to generate product ideas for future. Plans are to leverage on our core business while creating new verticals for future. Work has begun at both business and R&D side in this direction.

There is a new leadership team in place across several functions of the company. New perspectives, new thoughts bring in a churn to create new ideas. While this is so, it is equally important to remain grounded to Excel's core values, one of which has been people orientation. Increased focus on goal setting and performance orientation, both as individuals and as teams, is being emphasised to facilitate delivery of above plans.

Together, we look forward to building a responsive and sustainably growing organisation.

Best Wishes,
N R Kannan