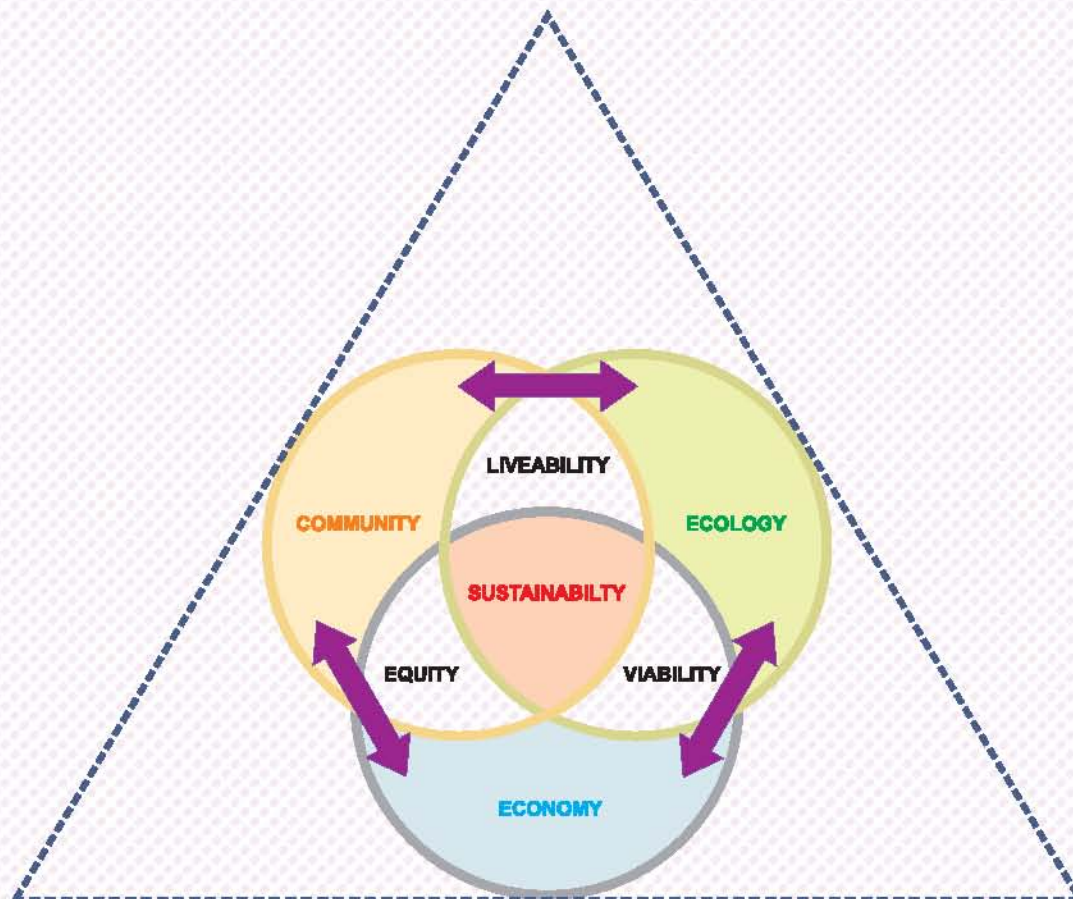




Excel Industries Ltd.
49th Annual Report : 2009 - 2010

Excel's Founding Beliefs

The Business of Sustainability is,
where wider
Economic - Environmental - Social
objectives are met,
by supporting new business
that not only promote Financial growth,
but also enhance
Social and Environmental causes
across a range of Stakeholders,
constituting
the Economic Pyramid as a whole...



EVENTS

Mr. Ashwin Shroff; CMD Excel Industries, addressing the audience on “Advancing Public Private Partnerships for Sustainable Waste Management” at FICCI Environment Conclave 2009.



ACHIEVEMENTS

- * Excel Roha bagged 5 prizes in the Industrial Fire Drill competition during the “Fire Service Week” which was conducted in Mumbai, by “Office of the Fire Adviser Government of Maharashtra”, held under the auspices of Ministry of Home Affairs, Government of India, New Delhi.
- * 23 teams with 120 participants participated from different industries.
- * 5 out of 21 prizes were bagged by Excel Industries Ltd., Roha team, that included the prestigious award of “BEST FIREMAN”.
- * Awards were received from Mr. Bhaskar Jadhav, Minister of State.



National Award (2008-09) for Ground Water Augmentation (Bhoomi Jal Sanvardhan National Award) was awarded by Ministry of Water Resources; Govt. of India, to Vivekanand Research & Training Institute, for adopting innovative practices of groundwater augmentation through Rain-water Harvesting & Artificial Recharge. The award was received at the hands of Minister of Parliament Affairs and Water Resources, Shri Pawan Kumar Bansal.



TOWARDS IMPROVING THE QUALITY OF LIFE OF THE PEOPLE AROUND EXCEL ROHA – EXCEL LOTE

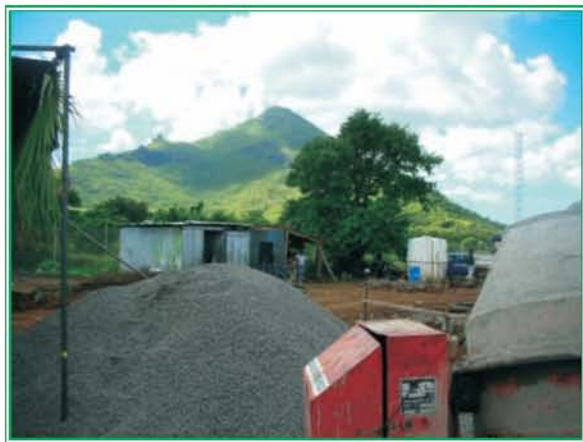
“In a free enterprise, the community is not just another stakeholder in business, but is in fact, the very purpose of our existence” J. R. D. Tata

	Hydro Geology Programmes		People Participation
Vanrai Bandhara		NSS Camps	
	Farmer Awareness and Education		Crop Productivity
Health Awareness & Relief Camps		Educational & Youth Development Camps	

Taking care of the villages in the neighbourhood so that people are healthy, prosperous & peaceful is strength of the Excel Group and its culture.

From building and repairing check dams; Vanrai Bandharas, to providing improved Agricultural practices, organising Cattle Healthcare camps, NSS camps, Blood test camps, to Youth Development camps, Excel Roha and Excel Lote have conducted various activities with “People Participation” in bringing in meaningful accomplishments amongst the villagers.

FROM "DOING" SOCIAL RESPONSIBILITY PROJECTS TO "BEING" SOCIALLY RESPONSIBLE!!!



**"...Sustainability is not" in addition to" or "peripheral" to the way we do business,
it is fundamental to it..."**

**Your Company is assisting Solid Waste Recycling Ltd., Mauritius to set up 350 mt/day
capacity Solid Waste Processing Plant, to produce Organic Manure.**

**The agreement covers the License of the Process, providing Project Management
Consultancy services and supply of Microbial Culture required for Composting.**

The plant is expected to be ready by October 2010.



**C. C. SHROFF MEMORIAL LECTURE
FEBRUARY 25, 2010**

**“INDIA OF MY DREAMS:
AN AGENDA FOR ACTION,
ROLE OF CORPORATES,
INDIVIDUALS, GOVERNMENT, NGOs”**

MR. GURCHARAN DAS

EXCEL INDUSTRIES LIMITED

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49th Annual General Meeting
on Monday 19-07-2010 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.

CHAIRMAN EMERITUS

K. C. SHROFF
G. NARAYANA

BOARD OF DIRECTORS

A. C. SHROFF, *Chairman & Managing Director*
U. A. SHROFF, *Executive Vice Chairperson*
S. R. POTDAR, *Executive Director*
A. G. SHROFF
R. N. BHOGALE
H. N. MOTIWALLA
P. S. JHAVERI
D. K. SHROFF
M. K. VADGAMA (*Resigned w.e.f. 22.03.2010*)
M. B. PAREKH
N. B. SATHE

COMPANY SECRETARY

S. K. SINGHVI

AUDITORS

S. R. BATLIBOI & CO.
Chartered Accountants

BANKERS

Bank of India
State Bank of India
Axis Bank Limited

REGISTRARS & TRANSFER AGENTS

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
Bhandup (W), Mumbai 400 078.
Tel : 2596 3838, Fax : 2594 6969

REGISTERED OFFICE

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

FACTORIES

M.I.D.C. Area, Roha, Maharashtra
M.I.D.C. Area, Lote Parashuram, Maharashtra
Baherampura, Ahmedabad, Gujarat

EXCEL INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the FORTY-NINTH 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 19th July, 2010 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account of the Company for the financial year ended 31st March, 2010, the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To declare a dividend on Equity Shares of the Company for the year ended 31st March, 2010.
3. To appoint a director in place of Mr. H. N. Motiwalla who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. P. S. Jhaveri who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. S. R. Batliboi & Company, Chartered Accountants, (Membership No. 301003E) be and they are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of ensuing (49th) Annual General Meeting until the conclusion of the next (50th) Annual General Meeting to conduct the audit of the accounts of the Company for the financial year 2010-11, at such remuneration plus service tax and out of pocket expenses as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the resolution passed by the Board of Directors under Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. A. C. Shroff to the office of Chairman & Managing Director of the Company for a period of five years with effect from 1st February, 2010 on the terms and conditions including remuneration as set out in the draft Agreement to be entered into between the Company and Mr. A. C. Shroff, placed before the meeting and intialled by the Executive Director for the purpose of identification.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE, ONLY ON A POLL, INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY, TO BE EFFECTIVE, MUST BE RECIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. An Explanatory Statement relating to the Special Business under Item Nos. 6 as required under Section 173(2) of the Companies Act, 1956, is annexed hereto.
3. Additional information pursuant to Clause 49 of the Listing Agreement with Stock Exchanges in respect of Directors appointed/re-appointed is appearing in Corporate Governance Report forming part of this Annual Report.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 10th July, 2010 to Monday, the 19th July, 2010 (both days inclusive).
5. 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.

6. Payment of the dividend as recommended by the Directors, if declared at the Meeting, will be made on or after 23rd July, 2010 to the Members whose names stand on the Company's Register of Members on Monday, the 19th July, 2010 and to the Beneficiary Holders as per the Beneficiary List on the close of business hours on Friday, the 9th July, 2010 provided by National Securities and Depository Limited and Central Depository Services (India) Limited.
7. 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. The members, holding shares in physical form and covered under the RBI Centres, who have not furnished requisite information and who wish to avail of 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 NECS mechanism.
8. 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 Investor Education and Protection Fund.

The details of dividend declared/paid for the financial year 2002-2003 onwards are given below:

Date of Declaration	Dividend for the year	Dividend Rs. Per Share	Due date of the proposed transfer to the Investor Education & Protection Fund
29.12.2003	2002-03	1.50	03.02.2011
30.07.2004	2003-04	1.00	04.09.2011
29.07.2005	2004-05	0.50	03.09.2012
26.07.2007	2006-07	0.50	31.08.2014
04.09.2008	2007-08	1.00	10.10.2015
24.08.2009	2008-09	0.50	29.09.2016

Members who have not encashed the dividend warrants for the year 2002-2003 and/or any subsequent year(s) are requested to write to the Company for revalidation of dividend warrants before such unclaimed dividend is transferred to the Investor Education and Protection Fund.

REQUEST TO THE MEMBERS

1. Members are requested to bring their copy of the Annual Report to the Meeting.
2. Members who have multiple folios in identical names in the same order are requested to send all the Share Certificates to the Company Secretary or to the Registrar and Transfer Agents, M/s. Link Intime India Private Limited for consolidation of such folios into one to facilitate better services.

For and on behalf of the Board of Directors

A. C. SHROFF
Chairman & Managing Director

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

Mumbai, 21st May, 2010.

ANNEXURE TO THE NOTICE

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

Item No. 6.

Mr. A. C. Shroff was reappointed as Chairman & Managing Director of the Company for a period of five years with effect from 1st February, 2005. The term of his office expired on 31st January, 2010. The Board of Directors in its meeting held on 22nd January, 2010, on the recommendation of the Remuneration Committee, reappointed him as the Chairman & Managing Director of the Company for a further period of five years with effect from 1st February, 2010 on the terms and conditions including remuneration as set out in the draft Agreement to be executed subject to approval of the members.

An Abstract of the terms and conditions of the re-appointment of Mr. A. C. Shroff as the Chairman & Managing Director of the Company and the Memorandum of interest of the Directors in the said resolution was circulated to the members within the prescribed time as required under Section 302 of the Companies Act, 1956.

The draft Agreement between the Company and Mr. A. C. Shroff contains, inter alia, the following terms and conditions:

I. SALARY

Rs. 1,75,000 per month in the scale of Rs. 1,75,000 – 20,000 – 2,55,000.

The annual increments will be effective from 1st February each year and will be decided by the Board.

II. PERQUISITES

- (a) Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with utilities such as gas, electricity, water, furnishings and repairs; medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance etc. in accordance with the Rules of the Company or such perquisites, as may be agreed to by the Board of Directors and Mr. A. C. Shroff for each year not exceeding his annual salary.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

Provision of the Company's car and telephone at residence for official duties shall not be included in the computation of perquisites for the purpose of calculating the said ceilings.

- (b) Company's contribution to Provident Fund and Superannuation or Annuity Fund (to the extent these either singly or together are not taxable under the Income tax Act), gratuity payable as per the Rules of the Company and encashment of leave at the end of his tenure as per the Rules of the Company applicable to senior executives and the same shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

III. COMMISSION

A sum calculated with reference to the net profits of the Company in a particular financial year, as may be decided by the Board of Directors, not exceeding 24 months of his salary, within the overall ceilings stipulated as per the provisions of the Companies Act, 1956.

IV. MINIMUM REMUNERATION

If in any financial year, the Company has no profits or its profits are inadequate, then in such an event, subject to the approval of the Central Government as may be required, the remuneration by way of salary and perquisites as specified in paragraphs I and II above will be paid as minimum remuneration.

EXCEL INDUSTRIES LIMITED

V. OTHER TERMS

- (a) Leave: On full pay and allowance, as per the Rules of the Company but not exceeding one month's leave for every 11 months of service.
- (b) Reimbursement of entertainment and/or traveling, hotel and other expenses actually incurred by him in performance of duties.
- (c) The appointment may be terminated by either party giving to the other party ninety days' notice in writing.
- (d) In the event of any dispute or difference arising at any time between Mr. A. C. Shroff and the Company in respect of the terms of his appointment or the construction thereof, the same will be submitted to and be decided by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

The draft Agreement referred to in the resolution under item number 6 of the Notice will remain open for inspection by the members at the Registered Office of the Company on all working days from Monday to Friday between 2.00 p.m. to 4.00 p.m. up to the date of Annual General Meeting.

None of the Directors of the Company except Mr. A. C. Shroff, Chairman and Managing Director and Mrs. Usha A. Shroff, Executive Vice Chairperson, is concerned/interested in this Resolution.

The Board of Directors recommends this Resolution for your approval.

For and on behalf of the Board of Directors

A. C. SHROFF
Chairman & Managing Director

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

Mumbai, 21st May, 2010.

EXCEL INDUSTRIES LIMITED

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting the Forty-Ninth 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:

	2009-10	(Rupees in Lacs) 2008-09
Gross Profit for the year was	2132.57	11,39.99
Less: Depreciation	992.96	10,02.91
Leaving a net profit before Tax	1139.61	1,37.08
Provision for Taxation:		
Current Tax	(126.00)	(9.00)
In respect of earlier year	(136.27)	(6.57)
Minimum Alternate Tax Entitlement	178.75	7.00
Deferred Tax	(449.03)	(25.52)
Fringe Benefit Tax	—	(28.50)
	532.55	(62.59)
	607.06	74.49
Add thereto/(reduce therefrom):		
Adjustment in respect of earlier years (net)	189.53	(30.34)
	796.59	44.15
Add thereto:		
Balance brought forward from the previous year	1122.80	12,42.45
Leaving a balance available for Appropriation	19,19.39	12,86.60
Appropriations:		
Proposed Dividend	218.11	54.53
Tax on Dividend	36.23	9.27
Transfer to General Reserve	300.00	100.00
	554.34	163.80
Carried forward to next year	1365.05	11,22.80

2. DIVIDEND

Your Directors have recommended a Dividend of 40% amounting to Rs. 2/- per share of face value Rs. 5/- each as compared to a dividend of 10% (Re. 0.50 per share) in the previous year.

3. OPERATIONS

During the year under review, the net sales decreased from Rs. 231.19 crores to Rs. 222.32 crores, registering a drop of 4% and Exports decreased from Rs. 66.41 crores to Rs. 54.77 crores registering a decline of 18%. During the year under review, the Company had a profit before tax of Rs. 11.40 crores compared to Rs. 1.37 crores in the previous year, and had a profit after tax of Rs. 6.07 crores compared to Rs. 0.74 crores in the previous year.

4. NEW PROJECTS/EXPANSIONS/IMPROVEMENTS

The capacity of the Polymer Inputs Plant at the Company's unit at Lote Parshuram was increased from 1000 MT per Annum to 1500 MT per Annum by addition of certain equipments. This was done to meet the peak load demand.

In order to prepare for the Company's future needs, the Biological treatment capacity in the Effluent treatment section is also being enhanced.

5. OUTLOOK

The current year has started with a good demand for the Company's products in various segments. The imports of Diethyl Thiophosphoryl Chloride from China are at a lower level and the Company is able to improve its capacity utilization. Exports are expected to grow with the indicated forecast for the Specialty Chemicals being produced for the Polymer industry. The demand for the Performance Chemicals from the range of Phosphonates is also well supported mainly from the domestic consumers.

Based on the market acceptance of the Organic Waste Converter Machine, the Company expects to achieve significant rise in the number of machines to be sold in the current year. The large fertilizer companies are planning to market organic compost along with their chemical fertilizers and success of this initiative will lead to increased sales of Celrich from Ahmedabad Plant.

6. ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company continues to accord top priority to Environment, Health and Safety systems and strives to improve the performance through safety audits, training programmes and safety management systems.

7. QUALITY

The Company continues to maintain industry best standards in managing the quality of its products and services and has received appreciation and awards from its customers.

8. EDUCATION, LEARNING AND HUMAN DEVELOPMENT

The Company has continued the emphasis on development of people with full commitment and has taken steps to provide the opportunities to learn relevant skills and acquire knowledge. The top management of the Company has taken keen interest in the training and development activities.

9. INSURANCE

The Company continues to carry adequate insurance cover for all its assets against foreseeable perils like fire, flood, earthquake, fidelity etc. The Company continues to maintain consequential Loss (Fire) Policy and the Liability Policy as per the provisions of Public Liability Act.

10. SUBSIDIARY COMPANY

Pursuant to Section 212 of the Companies Act, 1956, the Accounts of Kamaljiyot Investments Limited, a subsidiary of the Company, are annexed.

11. FIXED DEPOSITS

The amount of fixed deposits from the public and loans from the shareholders at the end of the year under review aggregated to Rs. 18,08.48 lacs. 71 Depositors did not claim their deposits after the date on which the deposits became due for payment. The amount due on such deposits and remaining unclaimed as on 31st March, 2010, was Rs. 16.66 lacs. It has come down to Rs.13.87 lacs as on the date of this Report.

12. DIRECTORS

Mr. H. N. Motiwalla and Mr. P. S. Jhaveri, Directors, retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offer themselves for re-appointment. The Board of Directors recommends their re-appointment.

During the year under review, Mr M K Vadgama has resigned as Director w.e.f. 22nd March, 2010. The Board places on record its deep appreciation for Mr Vadgama's contribution in the deliberations of the Meetings.

13. SOCIAL RESPONSIBILITY

The Company has maintained the tradition of supporting activities and organisations contributing in the rural development and various socially relevant projects. The Company has continued to do this with spirit of its duty towards the community.

14. DIRECTORS' RESPONSIBILITY

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and
- (d) they have prepared the annual accounts on a going concern basis.

15. CORPORATE GOVERNANCE

Your Company continues to practise the principles of good Corporate Governance during the year and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges. Pursuant to Clause 49 of the Listing Agreement, Management Discussion and Analysis, Corporate Governance Report and the Auditors' Certificate regarding compliance of the same are part of this Annual Report.

16. HUMAN RESOURCES

The Company continues to take care of its human resource needs ensuring the fulfillment of appropriate and adequate human skills, knowledge and attitude. Productivity improvement areas are being studied and monitored for optimum utilization of human resources. Measures for safety, training of employees receive highest priority.

The relations between the employees and the management continue to be cordial.

Your Directors wish to place on record their appreciation for the sincere and devoted efforts of the employees and the management at all levels.

17. OTHER INFORMATION

The information required under Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, and Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, regarding employees, is furnished in the Annexures to this Report and forms part of this Report.

18. AUDITORS

The term of statutory Auditors M/s. S. R. Batliboi & Co., Chartered Accountants, expires at the conclusion of the ensuing Forty-Ninth Annual General Meeting of the Company, who, being eligible, offer themselves for reappointment as Auditors of the Company.

The Auditors have made certain comments in their Report which are self explanatory. In this regard, the Directors would like to state as follows:

- 1. During the year, the Company has reconstructed the Fixed Asset Register in respect of Lote plant and is in the process of reconstructing the same for Roha plant. The Company has also undertaken the physical verification of Fixed Assets under phased programme and whatever material discrepancies were identified on such verification have been properly dealt with in the books of accounts.
- 2. In the Consolidated Accounts, the effect of investment has not been considered in respect of Romvijay Bioo Tech Private Limited, an Associate Company, due to non-availability of their Audited Accounts (Refer Note No. 1(d) and 6 in Schedule 'T').

19. ACKNOWLEDGEMENTS

Your Directors place on record their appreciation to its shareholders, bankers, government authorities and the business associates for their continuous guidance and support.

For and on behalf of the Board of Directors

A. C. SHROFF

Chairman & Managing Director

Mumbai, 21st May, 2010.

EXCEL INDUSTRIES LIMITED

ANNEXURE TO DIRECTORS' REPORT

(UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956)

Disclosures

(A) CONSERVATION OF ENERGY

(a) Energy Conservation Measures implemented in recent past:

- Replacement of low efficient pumps by higher efficient pumps.
- Replacement of conventional gearboxes by efficient helical gear boxes.
- Replacement of 500 KVA, D.G. set by fuel efficient/acoustic proof D. G. set.

(b) Additional Investments and proposals, if any, being implemented for reduction in consumption of energy:

- Installation of turbo ventilators on roofing to avoid use of electrical fans in day time.
- Replacement of 175 TR VAR machine by energy efficient machine. Replacement of 1250 KVA D.G. Set by energy efficient/acoustic proof D.G. Set.
- Upgradation of measurement of parameters of utility equipments for achieving 2% energy off.

(c) Impact of Measures at (a) and (b)

The above measures have resulted into reduction in energy consumption:

- Steam consumption for refrigeration reduced by 20%.
- Generating efficiency of the DG set increased by 20%.
- Over 30% reduction in the cost of energy consumed before accounting for price increases.

(d) Total energy consumption and energy consumption per unit of production as per prescribed Form A:

	Current Year (2009-10)	Previous Year (2008-09)
A. Power and Fuel Consumption		
1. Electricity		
(a) Purchased		
Unit ('000 KWH)	18,084	14,718
Total Amount (Rs. in lacs)	9,44.51	6,71.47
Rate/Unit (Rs.)	5.22	4.56
(b) Own Generation		
(i) Through Diesel		
Generated Unit ('000 KWH)	150	157
Units per Ltr. of Diesel Oil	3.21	3.44
Cost/Unit (Rs.)	11.41	10.68
(ii) Through Steam Turbine/Generator Units	Nil	Nil
2. Coal		
Qty. (MT)	13,650	10,309
Total Amount (Rs. in lacs)	651.78	472.69
Avg. Rate (Rs./Kg.)	4.77	4.78

	Current Year (2009-10)	Previous Year (2008-09)
3. Fuel		
Qty. (MT)	374	283
Total Amount (Rs. in lacs)	79.45	64.66
Avg. Rate (Rs./Kg.)	21.25	22.86
4. Steam Purchased		
Qty. (MT)	Nil	Nil
Total Amount (Rs. in lacs)	Nil	Nil
Avg. Rate (Rs./Kg.)	Nil	Nil

B. Consumption per ton of production

	Current Year (2009-10)						Previous Year (2008-09)					
	Fuel		Steam Purchased		Electricity		Fuel		Steam Purchased		Electricity	
	Kgs.	Rs.	Kgs.	Rs.	Unit	Rs.	Kgs.	Rs.	Kgs.	Rs.	Unit	Rs.
1. Phosphorous and its compounds	153	2437	Nil	Nil	364	1941	160	1659	Nil	Nil	384	1,775
2. Chemicals	291	4578	Nil	Nil	956	4992	283	2,878	Nil	Nil	843	3848
3. Organic Manure	Nil	Nil	Nil	Nil	57	343	Nil	Nil	Nil	Nil	65	414

(B) TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R & D)

1. *Specific areas in which R & D is carried out by the Company:*

The Company continues to carry out Research and Development in the areas of interest like agrochemical intermediates, various monomers and additives for specialty polymer industry and Pharma intermediates.

Process development work is continuously carried out for reducing raw-materials and energy consumption, curtailing pollution and to enhance the quality of the products delivered to the customers.

The R&D team was also engaged in developing specialized analytical techniques for conducting tests on Company's products with the objective of getting the products registered under the REACH requirements for export to the European Union.

The Company is developing newer processes for the manufacture of components and assembly of the final unit for the Organic Waste Converter machine and is working with various associates on this project.

2. *Benefits derived as a result of the above efforts:*

The Company continues to explore the opportunities in the areas of pharmaceutical intermediates, agrochemical intermediates and specialty chemicals and based on the in-house process and product development, expects to launch new products in these areas.

The Company's products are being exported to the customers in the European Union and these products are required to meet the new REACH guidelines in a phased manner within one to five years. The understanding of various analytical techniques will help monitor and expedite this process of registration.

By incorporating various standardization steps and adopting newer processes of fabrication of components and through Value Engineering, the Company is working to reduce the cost of production of the Organic Waste Converter machine and thereby aim at significantly increased sales.

3. *Future plan of action:*

The development of new range of intermediates for Pharmaceuticals and Agrochemicals, electronic chemicals is being actively entertained and exercised. The Company will put more emphasis on expanding the business of nucleosides/nucleotides.

4. *Expenditure on R & D for the year 2009-2010:*

	(Rs. in Lacs)
(a) Capital	26.10
(b) Recurring	238.72
(c) Total	264.82
(d) Total R & D expenditure as a percentage of total turnover	1.07

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) *Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:*

- The Company is taking all necessary steps to get its products registered under the REACH Regulation so that the exports to European Union can be carried out without any hindrance.
- The capacity enhancement of Polymer inputs Plant will help the Company to meet the peak load demands of the customers without losing any orders.

(b) *Total foreign exchange earned and used:*

	(Rs. in Crores)
Used	66.77
Earned	54.92

For and on behalf of the Board of Directors

A. C. SHROFF

Chairman & Managing Director

Mumbai, 21st May, 2010.

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and forming part of the Directors' Report for the year ended 31st March, 2010.

Name of the Employee	Designation/ Nature of duties	Remuneration Rupees	Qualifications	Experience Years	Date of Commencement of Employment	Age Years	Particulars of last employment
							Employer, last post and period for which post held
A. C. Shroff	Chairman & Managing Director	24,26,281	B.Sc.	44	01.09.1965	65	—
Usha A. Shroff	Executive Vice Chairperson	24,24,451	M.Com	42	01.11.1968	63	—
S. R. Potdar	Executive Director	35,15,588	B.Tech (Chem), PG.D.I.E	35	12.10.1974	57	—

- Notes:
1. Remuneration mentioned above includes salary, allowances, taxable value of perquisites, Company's contribution to Provident Fund and Superannuation Fund but does not include contribution/provision towards Gratuity Fund.
 2. The employment of Mr. A. C. Shroff, Mrs. Usha A. Shroff and Mr. S. R. Potdar is contractual. The period of employment in respect of Mr. A. C. Shroff and Mrs. Usha A. Shroff is five years and is three years in respect of Mr. S. R. Potdar.
 3. None of the employees is related to each other except Mr. A. C. Shroff and Mrs. Usha A. Shroff.

For and on behalf of the Board of Directors

A. C. SHROFF

Chairman & Managing Director

Mumbai: 21st May, 2010

EXCEL INDUSTRIES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

1. BUSINESS REVIEW

1.1 Business Segment – Chemicals Business Division

(a) Industry structure and development:

The Company operates in the area of chemical intermediates which are the inputs to Agrochemicals, Commodity Polymers, Engineering polymers, Soaps and detergents, Water Treatment Chemicals and Biocides. The Company continues to maintain its pioneer status in India in the areas in which it operates and there is only limited competition from other domestic producers. However, the end user industry has the option of imports and the imports mainly from People's Republic of China have been impacting the capacity utilization and the profitability of the Company and also the entire domestic industry. There is a constant need to enhance the competitiveness and this is achieved by improved cost management, volume increase through exports and periodic new product introduction. The opportunity in the area of pharmaceutical intermediates sector is very attractive and many of the players have been experiencing rapid growth. The agrochemicals market is also witnessing introduction of new products and this will throw open the field for new intermediates. The Company has to deploy its Research and Product Development skills to stay ahead in the race.

The interventions by the Government in China also impact the performance of the domestic industry and more often than not, it is adverse impact. In mid 2008, a very steep export duty was imposed by the Chinese Authorities on the export of Yellow Phosphorous from China and this move, along with low priced and duty free exports from China of value added products based on Yellow Phosphorous itself, had crippled the Indian industry. Beginning this year, the export duty on Yellow Phosphorous had been reduced to a moderate level and the Indian importers of Yellow phosphorous were able to run the plants and offer the products to end user industry.

The domestic production of Diethyl Thiophosphoryl Chloride, one such end product from the Company, was severely affected due to the low priced imports from China. One domestic producer, with support extended by the Company, approached the designated authority in the Government of India requesting for imposition of Anti Dumping Duty. There has been a long delay in the decision making process owing to the user industry resorting to judicial recourse. Provisional duty of varying amounts based on specific exporter source was imposed in June 2009 and the final findings have been notified, but the declaration of the Anti Dumping Duty is yet to take place. The domestic producers hope that the process will be completed in time.

The raw materials used by the industry include items that are derived from crude oil and hence the escalating oil price impacts the industry's performance. As most of the companies maintain a balanced portfolio of domestic and export sales, the volatility of foreign exchange rate also affects the profitability. The year has witnessed a steadily rising Crude Oil price and a steady strengthening of the Indian Rupee. Your Company also has had to endeavor to operate with appropriate strategy and high efficiency in this challenging environment.

(b) Opportunities and Threats:

Confirmed trends of global economic recovery leading to increased industrial production in India as well, augur well for the Company's business in the coming year. The competition of imports from China continues to be a major threat. The much delayed decision of imposition of Anti Dumping Duty, if confirmed, may help the Company to improve its volumes. The crop protection industry has voiced apprehension that the Chinese producers will start dumping the end products if the intermediates are subjected to Anti Dumping Duties. This could seriously affect the volumes sold by the Company.

(c) Segment wise performance and outlook:

The year, at the beginning, was still under the impact of the recession which had set in the last quarter of 2008. As it progressed, the slow but certain easing process was experienced. The consuming end industries like Crop protection,

Polymer and Soaps and detergents carried out increased productions and this allowed the Company to improve its capacity utilization compared to the previous year. The Company had to cope with a sharp reduction in the prices of its products whereas the relief from the reduction in the raw material costs was not enough to compensate. However, the volumes increased owing to healthy recovery in most of the end user industry and the benefit due to this contributed to the improvement in the profitability. The Company has received forecasts for the year 2010 from many of its overseas customers. The domestic productions in Polymer and agrochemical sectors are also promising.

(d) Risks and concerns:

The prices of the major raw material Yellow Phosphorous have been steadily rising since the beginning of 2010 owing to paucity of rains in most provinces in China. Any such increase without a corresponding rise in the price of the finished product, again imported from China, will impact the volume and profitability. The Company will also suffer in the event the authorities decide that Anti-dumping duty is not leviable on the low price imports of Diethyl Thiophosphoryl Chloride from China. Prices of electricity and other fuels and solvents are rising sharply and this could pose a challenge to contain the cost of production.

1.2 Business Segment – Environment & Biotech Division

(a) Industry structure and Development:

The Company is engaged in the business of Waste Management. There is an increasing awareness of the adverse impact of the urban waste management methods practiced in the past and still in vogue today. Running out of capacity of the existing sites for dumping of Municipal solid waste and inability to find and set up newer sites in the face of stiff opposition from voluntary organizations and people at large, the Civic bodies are compelled to look at newer and more comprehensive solutions and the time is ripe for private sector participation in this sector. Composting of the organic component of the waste to generate organic manure or energy, Mechanical compression to produce Fuel briquettes and engineered land filling of the remaining residue are the various technologies. These technologies can form a complementing combination or compete with each other too. Several new private sector players are entering the business to offer integrated solutions like collection, transportation, treatment and final disposal of the Municipal Solid Waste but not all of them are in possession of a technology appropriate for large scale composting and they would look to associate with the Company for this part of the project.

(b) Opportunities and Threats:

The integrated projects being conceived and proposed by large private sector companies, invariably, carry a very large Capital cost outlay and need support like Tipping Fee. These projects are therefore experiencing a long delay in getting the sanction from the civic bodies and often get into political entanglement. Projects favour energy generation from the organic waste as it is to sell energy compared to selling the compost. The major problem associated with the selling of the compost is the cost of transportation. There is no subsidy for the farmer to use the compost unlike the large subsidy offered for the use of Chemical fertilizer.

The scenario, however, is changing fast. Awareness of the ill effects of excessive use of Chemical Fertilizers has resulted in the Government issuing a directive to all the leading Fertilizer companies in the country to include Organic compost as a co-marketed product and as a result, there is an increasing demand for the compost. The Compost has also been included in the Fertilizer Control Order and the imposed quality requirements will eliminate poor quality producers and products that were indulging in unhealthy competition. The Company is developing its strategy to associate itself with leading Fertilizer companies to sell its compost and thus significantly increase the capacity utilization of its plant.

The “at source treatment” solution that the Company has developed through its Organic Waste Converter offers major advantages to the bulk generators of organic waste. The Company has been marketing the machine for the past two years and has been receiving very good response from various sectors. The Company is working to grow this business several fold and is attending to issues in Manufacturing, Marketing, After Sales and Organization building issues.

Recession in the economy resulting slowing down of realty sector, travel and tourism sector, Infrastructure and the like tends to affect the demand growth for the machine and it appears that the country's recovery from the setback of 2008-09 will offer a growth path in the near future.

(c) **Segment wise performance and outlook:**

The Company was able to increase the production and sales of the compost from its Ahmedabad plant owing to the tie up with a fertilizer company. Product development for granulated Celrich is completed and process improvement for obtaining higher yield has also been successfully commissioned. The Company looks forward to further increased sales of Celrich and of other Bio products in the current year.

The Company also entered into an agreement with a Mauritius based company to license its Process for treatment of Municipal Solid Waste in a plant to be set up in Mauritius. The Company further secured a contract to provide Project Management Services for setting up the plant in Mauritius. The project is being implemented and is expected to be completed before the end of this calendar year. The Company is proud to have stepped into the international arena with its unique process.

In the case of Organic Waste Converter, 88 machines valued at Rs. 608 lacs were sold as against 65 valued at Rs. 500 Lacs in the previous year. The feedback from the market is very positive and nearly 50% of the new orders the Company receives are from repeat customers. The Company is taking steps to streamline the sourcing of the machine and is setting up sales network to exploit the full potential.

(d) **Risks and Concerns:**

The Company has been successful in securing an Indian Patent for the Organic Waste Converter Machine. However, machines for carrying out the same process and look alike in design are being introduced by different parties in different parts of the country. Inadequate performance of such machines will create disrepute for the pioneer machine as well. The Company will examine its option to resort to legal actions and take suitable steps.

EXCEL INDUSTRIES LIMITED

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on the Code of Governance

Corporate Governance primarily involves transparency, complete disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. The Corporate Governance Code has also been incorporated in Clause No. 49 of the Listing Agreement of the Stock Exchanges.

The objective of your Company is not only to meet the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholder value. The Company has professionals on its Board of Directors who get actively involved in the deliberations of the Board as well as Committees of Directors on all important policy matters.

2. Board of Directors

The Board of Directors comprises three Whole-time Directors and seven Non-Executive Directors.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership in committees of other companies. Composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorships/memberships of committees of other companies are as under:

NAME	CATEGORY	NO. OF BOARD MEETINGS ATTENDED DURING 2009-10	ATTENDANCE AT LAST AGM	NO. OF DIRECTORSHIPS IN OTHER PUBLIC LIMITED COMPANIES INCORPORATED IN INDIA	NO. OF OTHER BOARD COMMITTEES OF WHICH HE/ SHE IS MEMBER/ CHAIRPERSON
Mr. A. C. Shroff Chairman & Managing Director	Promoter — Executive	6	Yes	7	2
Mrs. Usha A. Shroff Executive Vice Chairperson	Promoter — Executive	6	Yes	7	3
Mr. S. R. Potdar Executive Director	Executive	6	Yes	2	Nil
Mr. Atul G. Shroff	Promoter — Non-Executive	2	No	5	7
Mr. R. N. Bhogale	Independent — Non-Executive	6	Yes	1	Nil
Mr. H. N. Motiwalla	Independent — Non-Executive	6	Yes	6	5
Mr. P. S. Jhaveri	Independent — Non-Executive	3	No	4	3
Mr. Dipesh K. Shroff	Promoter — Non-Executive	5	Yes	10	1
Mr. M. K. Vadgama*	Independent — Non-Executive	3	Yes	Nil	Nil
Mr. M. B. Parekh	Independent — Non-Executive	3	Yes	4	Nil
Mr. N. B. Sathe	Independent — Non-Executive	5	No	Nil	Nil

* Resigned as Director on 22nd March, 2010

The Company held meetings of its Board of Directors during the year on the following dates.

28th May, 2009	30th July, 2009	24th August, 2009	29th October, 2009
22nd January, 2010	26th March, 2010		

3. **Particulars of the Directors seeking Appointment/Reappointment at the forthcoming Annual General Meeting**

NAME OF THE DIRECTOR	MR. P. S. JHAVERI
Date of Birth	09-03-1955
Date of Appointment	28-10-2002
Expertise in specific functional areas	Industrialist with wide experience in Chemicals and Textile Auxiliary Industry.
Qualifications	B.Com from Bombay University and Diploma in Business Management.
Other Public Companies in which Directorship held	Indian Extractions Limited LifeStyle Networks Ltd. Phthalo Colours & Chemicals (India) Limited Sadhana Nitro Chem Limited
Other Public Companies in which membership of Committees of Directors held	Chairman – Audit Committee of Phthalo Colours & Chemicals (India) Limited Member – Share Transferee Committee of Indian Extractions Limited – Remuneration Committee of Sadhana Nitro Chem Ltd.
No. of Shares held on 31st March, 2010	Nil

NAME OF THE DIRECTOR	MR. H. N. MOTIWALLA
Date of Birth	24-03-1945
Date of Appointment	24-05-2002
Expertise in specific functional areas	Accounting, Audit, Finance, Taxation, Company Law
Qualifications	Chartered Accountant
Other Public Companies in which Directorship held	Ashapura Minechem Ltd. Balkrishna Synthetics Ltd. Gujarat Organics Ltd. Hitech Plast Ltd. LIC Mutual Fund Asset Management Co. Ltd. Multibase India Ltd.
Other Public Companies in which membership of Committees of Directors held	Chairman – Remuneration Committee of Balkrishna Synthetics Ltd. – Audit Committee of Multibase India Ltd. Member – Audit Committee of Ashapura Minechem Ltd. – Audit Committee of LIC Mutual Fund Asset Management Co. Ltd. – Audit Committee of Hitech Plast Ltd.
No. of Shares held on 31st March, 2010	Nil

4. **No. of Shares held by Non-Executive Directors as on 31st March, 2010**

Name of the Director(s)	Shares Held (No.)
Mr. Atul G. Shroff	59,784
Mr. Dipesh K. Shroff	8,597

Other Non-Executive Directors do not hold any shares in the Company as on 31st March, 2010.

5. **Audit Committee**

The role of the Audit Committee is to supervise the Company's reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors, Cost Auditors and Internal Auditors and fixation of their remuneration, to review and discuss with the Auditors about internal control systems, the scope of Audit including the observations of the Auditors, adequacy of the internal control systems, major accounting policies, practices and entries, compliances with Accounting Standards and Listing Agreement with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, if any, to review the Company's financial and risk management policies and discuss with the Internal Auditors any significant findings for follow-up thereon and to review the Quarterly, Half Yearly and Annual financial statements before they are submitted to the Board of Directors.

The Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed in the Board meetings and taken note of.

The Company has complied with the requirements of Clause 49(II)(A) of the Listing Agreement as regards the composition of the Audit Committee.

The Audit Committee of the Board of Directors of the Company comprised of the following four Members as on 31st March, 2010:

Mr. H. N. Motiwalla, Chairman	Independent, Non-Executive Director
Mrs. Usha A. Shroff, Member	Promoter, Executive Vice Chairperson
Mr. P. S. Jhaveri, Member	Independent, Non-Executive Director
Mr. R. N. Bhogale, Member	Independent, Non-Executive Director

The Secretary of the Company acts as the Secretary to the Committee.

The Audit Committee met on the following dates during the last financial year.

28th May, 2009, 30th July, 2009, 29th October, 2009 and 22nd January, 2010.

Attendance at the Audit Committee Meetings during the last financial year was as follows:

NAME OF DIRECTORS	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. H. N. Motiwalla	4	4
Mrs. Usha A. Shroff	4	4
Mr. P. S. Jhaveri	4	2
Mr. R. N. Bhogale	4	4
Mr. M. K. Vadgama	4	1

Audit Committee meetings are also attended by senior finance and accounts executives and Internal Auditors, as and when required. Statutory Auditors and Cost Auditors of the Company are also invited to the meetings.

6. Remuneration Committee

Terms of reference and composition:

The broad terms of reference of the Company's Remuneration Committee are to determine and recommend to the Board and the members of the Company, the remuneration payable to Whole-time Directors, to determine and advise the Board for the payment of annual increments and commission to the Whole-time Directors and to determine and recommend policy for retirement benefits payable to its Whole-time Directors.

The Remuneration Committee comprised of the following three Members as on 31st March, 2010:

Mr. H. N. Motiwalla, Chairman	Independent, Non-Executive Director
Mr. R. N. Bhogale, Member	Independent, Non-Executive Director
Mr. P. S. Jhaveri, Member	Independent, Non-Executive Director

Meetings of the Remuneration Committee were held on 28th May, 2009, 24th August, 2009 and 22nd January, 2010. Attendance at the Remuneration Committee Meetings during the last financial year was as follows:

NAME OF DIRECTORS	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. H. N. Motiwalla	3	3
Mr. R. N. Bhogale	3	3
Mr. M. K. Vadgama	3	2
Mr. P. S. Jhaveri*	3	—

* Became member on 26th March, 2010.

Remuneration of Directors:

The Non Executive Directors are paid sitting fees for meetings of Directors and Committees of Directors and commission if any, as approved by the members.

The Company pays remuneration to its Chairman & Managing Director, Executive Vice Chairperson and Executive Director by way of salary, commission, perquisites and allowances. Salary is paid within the range as approved by the Shareholders. The Board, on the recommendations of the Remuneration Committee, approves annual increments to the Whole-time Directors. Commission of Whole-time Directors is range bound not exceeding 24 months salary and is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Remuneration Committee, subject to the overall ceiling as stipulated in Sections 198, 309 and Schedule XIII of the Companies Act, 1956.

Given below are the details of remuneration paid to the Directors during the financial year 2009-10.

DIRECTORS	SITTING FEES FOR BOARD/ COMMITTEE MEETINGS (RUPEES)	SALARIES AND OTHER PERQUISITES (RUPEES)	TOTAL (RUPEES)
Mr. A. C. Shroff	N. A.	24,26,281	24,26,281
Mrs. Usha A. Shroff	N. A.	24,24,451	24,24,451
Mr. S. R. Potdar	N. A.	35,15,588	35,15,588
Mr. Atul G. Shroff	10,000	N. A.	10,000
Mr. R. N. Bhogale	65,000	N. A.	65,000
Mr. H. N. Motiwalla	90,000	N. A.	90,000
Mr. P. S. Jhaveri	25,000	N. A.	25,000
Mr. Dipesh K. Shroff	45,000	N. A.	45,000
Mr. M. K. Vadgama	45,000	N. A.	45,000
Mr. M. B. Parekh	15,000	N. A.	15,000
Mr. N. B. Sathe	25,000	N. A.	25,000

The employment of the Chairman & Managing Director, Executive Vice Chairperson and Executive Director is contractual. The employment is for a period of five years in respect of the Chairman & Managing Director and Executive Vice Chairperson and is for a period of three years in respect of the Executive Director and terminable by either party giving 3 months notice.

Severance compensation is payable to the Whole-time Directors, if their office is terminated before the contractual period, subject to the provisions and limitations specified in Section 318 of the Companies Act, 1956. There are no stock options and performance linked incentive along with the performance criteria to the Directors.

The Company offers benefits to retiring Whole-time Directors as per a scheme in force duly approved by the shareholders. The quantum of benefits in each individual case is decided by the Board of Directors at their discretion.

7. Shareholders'/Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee looks into the Investors' complaints, if any, and to redress the same expeditiously.

The Shareholders'/Investors' Grievance Committee comprised of the following four Members as on 31st March, 2010:

Mr. Dipesh K. Shroff, Chairman	Promoter, Non-Executive Director
Mrs. Usha A. Shroff, Member	Promoter, Executive Vice Chairperson
Mr. S. R. Potdar, Member	Executive Director
Mr. H. N. Motiwalla, Member	Independent, Non-Executive Director

Mr. S. K. Singhvi, Company Secretary, is designated as the Compliance Officer.

The Shareholders'/Investors' Grievance Committee met on the following dates during the last financial year.

28th May, 2009, 30th July, 2009, 17th September, 2009, 29th October, 2009 and 22nd January, 2010.

Attendance at the Shareholders'/Investors' Grievance Committee Meeting during the last financial year was as follows:

NAME OF DIRECTORS	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Dipesh K. Shroff	5	4
Mrs. Usha A. Shroff	5	4
Mr. M. K. Vadgama	5	3
Mr. S. R. Potdar	5	5
Mr. H. N. Motiwalla	5	5

During the year, nine complaints were received from the investors, all of which were replied/resolved. There are no pending share transfers as on 31st March, 2010.

8. General Meetings

Location and time of the last three Annual General Meetings

YEAR	LOCATION	DAY/DATE	TIME	NO. OF SPECIAL RESOLUTIONS
2006-07	Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai 400 020.	Thursday, 26th July, 2007	3.00 p.m.	Nil
2007-08	-do-	Thursday, 4th September, 2008	3.00 p.m.	2
2008-09	-do-	Monday, 24th August, 2009	3.00 p.m.	1

None of the resolutions proposed to be passed at the ensuing 49th Annual General Meeting requires to be put through postal ballot.

9. Disclosures

• **Related Party Transactions:**

Related Party Transactions under Clause 49 of the Listing Agreement are defined as the transactions of the Company of a material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

Among the related party transactions are the contracts or arrangements made by the Company from time to time with companies in which the Directors are interested. All these contracts or arrangements are entered in the Register of Contracts under Section 301 of the Companies Act, 1956 and the register is placed before the Board from time to time. There were no material transactions with related parties during the year 2009-10 that are prejudicial to the interest of the Company.

• **Statutory Compliance, Penalties and Strictures:**

The Company has complied with the requirements of the Stock Exchanges/SEBI and Statutory Authorities on all matters related to capital markets during the last year. There are no penalties or strictures imposed on the Company by the Stock Exchange or SEBI or any Statutory Authorities relating to the above.

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreements. The Company does not have Whistle Blower Policy. No employee of the Company has been denied access to the Audit Committee of the Company.

10. General Shareholder Information

• **Means of Communication:**

- The quarterly and half-yearly results of the Company are generally published in the dailies viz. DNA (English) and Daily Sagar (Marathi) which have wide readership in Mumbai.
- The financial results are also displayed on the Company's Website: <http://www.excelind.co.in>
- Management Discussion and Analysis forms part of the Annual Report.

• **Annual General Meeting:**

Date and Time : Monday, the 19th July, 2010 at 3.00 p.m.

Venue : Rama Watumull Auditorium,
Kishinchand Chellaram College,
Dinshaw Wacha Road, Churchgate,
Mumbai-400 020.

- Financial Year : Year ending March 31
- Dates of Book Closure : Saturday, 10th July, 2010 to Monday, 19th July, 2010, (both days inclusive).
- Listing on Stock Exchanges : The Company's shares are listed on The Bombay Stock Exchange Ltd., (BSE) and The National Stock Exchange of India Ltd. (NSE)
- Dividend payment date : On or after 23rd July, 2010

• **Stock Codes (for shares):**

The Stock Exchange, Mumbai (Physical Segment) : 650

The Stock Exchange, Mumbai (Demat Segment) : 500650

National Stock Exchange of India Limited : EXCELINDUS

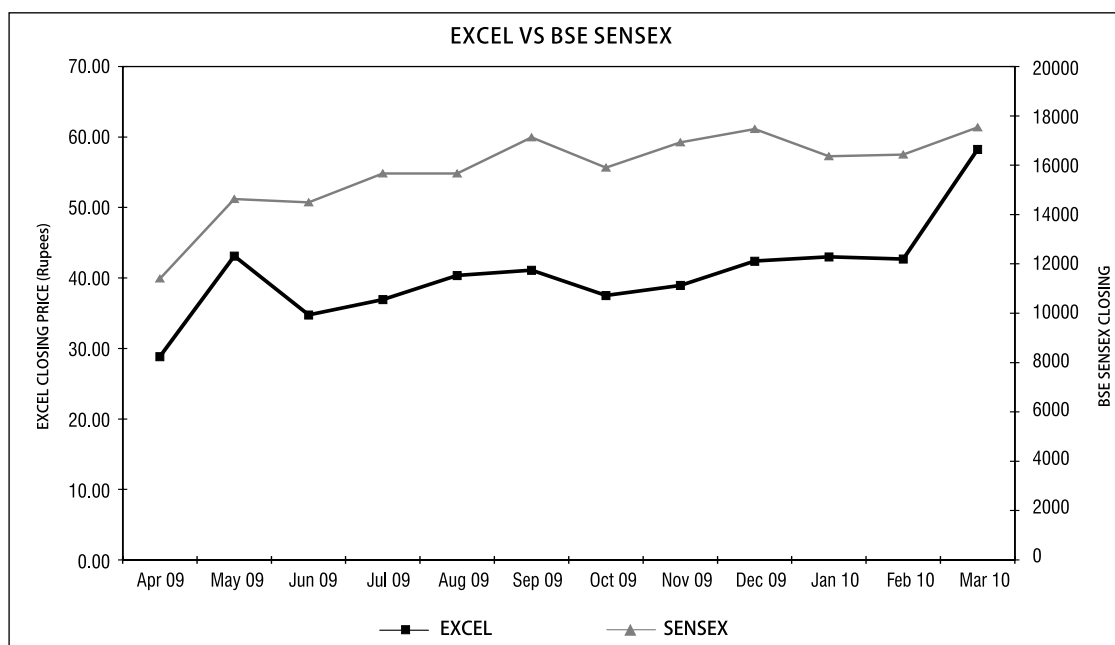
Demat ISIN Number in NSDL and CDSL : INE 369A01029

- **Market Price Data :**

	Bombay Stock Exchange (in Rs.)	
	High	Low
April-2009	33.50	25.40
May-2009	46.95	28.00
June-2009	43.80	33.25
July-2009	40.50	30.75
Aug-2009	49.90	36.20
Sept-2009	42.50	38.10
Oct-2009	43.90	36.55
Nov-2009	40.00	34.10
Dec-2009	42.40	38.00
Jan-2010	50.95	40.60
Feb-2010	48.30	38.70
Mar-2010	58.90	42.35

- **Share Price Movements :**

Share Price Movement for the period April, 2009 to March 2010 Excel Industries Limited vs BSE SENSEX.



Share Transfer System : The share transfer function is carried out by the Registrars and Transfer Agents-Link Intime India Pvt. Ltd. Share transfers in physical form can be lodged at their office at C-13, Pannalal Silk Mill Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 (Tel: 2596 3838 & 25946970) or their Mumbai Office at 203 Davar House (Next to Central Camera Building), 197/199 D N Road, Fort, Mumbai 400 001. Tel.: 22694127.

Share transfers and other share related requests are considered for approval every fortnight by the Company's Officials who are authorized in this behalf.

- **Distribution of Shareholdings as on 31st March, 2010**

CATEGORY	NO. OF SHAREHOLDERS	PERCENTAGE	NO. OF SHARES	PERCENTAGE
1 - 500	13251	88.83	1909505	17.51
501 - 1000	900	6.03	664049	6.09
1001 - 2000	406	2.72	587024	5.38
2001 - 3000	134	0.90	337165	3.09
3001 - 4000	44	0.29	154540	1.42
4001 - 5000	43	0.29	201234	1.85
5001 - 10000	68	0.46	503273	4.61
Above 10000	72	0.48	6548840	60.05
Total	14918	100.00	10905630	100.00

- **Categories of Shareholders as on 31st March, 2010**

CATEGORY	NO. OF SHAREHOLDERS	VOTING STRENGTH %	NO. OF SHARES
Promoters	56	38.75	4226109
Life Insurance Corporation of India	1	9.29	1012799
Other Insurance Companies	1	1.11	121370
Individuals	14465	46.01	5018334
Companies	257	4.23	461761
Non-Resident Individuals	109	0.55	59598
Indian Banks and Mutual Funds	16	0.04	4050
Foreign Institutional Investors & Foreign Banks	13	0.02	1609
Total	14918	100.00	10905630

- **Dematerialisation of Shares and Liquidity:**

92.77% of the Company's share capital is held in dematerialised form as on 31st March, 2010. The Company's shares are regularly traded on The Bombay Stock Exchange Ltd., (BSE) and The National Stock Exchange of India Ltd., (NSE).

- **Factory Locations:**

- | | |
|---|---|
| <p>(a) Plot No.112, M.I.D.C. Industrial Area,
Dhatav, Roha,
Dist. Raigad-402 116.</p> <p>(b) D-9, M.I.D.C., Lote Parshuram,
Tal: Khed, Dist. Ratnagiri-415 722.</p> | <p>(c) Near Sewage Farm,
Narol Sarkhej Octroi Naka,
Baherampura, Ahmedabad-380 022.</p> |
|---|---|

- **Address for correspondence:**
Excel Industries Limited,
184-87, Swami Vivekanand Road,
Jogeshwari (West),
Mumbai-400 102.
Tel.: 6646 4200, 2678 4255 & 2678 8258
Fax.: 6696 3514, 2678 3657
- **Address for correspondence for share related work:**
LINK INTIME INDIA PVT. LTD.,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai 400 078.
Tel: 91 22 2596 3838, 91 22 25946970
Help Desk contact
E-mail: rnt.helpdesk@linkintime.co.in
- **E-mail Address for Investor Grievances:**
grievance@excelind.com

11. Managing Director's Declaration on Code of Conduct and Ethics:

The Board of Directors of the Company has laid down Code of Conduct and Ethics (The Code) for the Company's Directors and Senior Employees. All the Directors and the Senior Employees covered by the code have affirmed compliance with the code on an annual basis.

For and on behalf of the Board of Directors

A. C. SHROFF
Chairman & Managing Director

Mumbai, 21st May, 2010.

AUDITORS' CERTIFICATE

TO THE MEMBERS OF
EXCEL INDUSTRIES LIMITED

We have examined the compliance of conditions of corporate governance by Excel Industries Limited, for the year ended on 31 March 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.R. BATLIBOI & CO.

Firm registration number: 301003E
Chartered Accountants.

per Vijay Maniar

Partner.
Membership No. 36738
Mumbai, 21st May, 2010.

EXCEL INDUSTRIES LIMITED

TEN-YEAR HIGHLIGHTS

		(Rupees in lacs)								
	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
I. CAPITAL ACCOUNTS										
A. Share Capital	545.28	545.28	545.28	545.28	545.28	545.28	545.28	545.28	1090.56	1090.56
B. Reserves	9670.21	9127.96	9147.61	9007.41	8936.96	8906.39	9049.67	9122.35	13635.45	15626.57
C. Shareholders' Funds (A+B)	10215.49	9673.24	9692.89	9552.69	9482.24	9451.67	9594.95	9667.63	14726.01	16717.13
D. Deferred Government Grants	—	—	—	—	—	—	—	—	105.29	112.61
E. Borrowings	6011.05	7523.50	7358.85	7280.99	10622.07	10035.26	10295.44	11092.37	21230.43	19611.28
F. Deferred Tax Liability (Net)	1468.26	1019.22	993.70	919.55	886.31	1045.36	1836.60	1811.33	2670.22	—
G. Capital Employed (C+D+E+F)	17694.80	18215.96	18045.44	17753.23	20990.62	20532.29	21726.99	22571.33	38731.95	36441.02
H. Gross Block	21507.89	21474.10	20721.74	19127.27	19014.61	17857.91	18192.06	17759.12	24672.04	20889.68
I. Net Block	10440.01	10650.45	10975.93	10408.27	10459.51	10641.02	11109.25	11607.68	16640.15	13621.05
J. Debt-Equity Ratio	0.59:1	0.78:1	0.76:1	0.76:1	1.12:1	1.06:1	1.07:1	1.15:1	1.44:1	1.17:1
II. REVENUE ACCOUNTS										
A. Gross Revenue	25497.38	26963.53	25412.91	22717.31	23543.59	25698.01	21102.42	21458.25	48828.95	43411.04
B. Profit/(Loss) before Taxes	1139.61	137.08	593.50	198.04	(280.13)	(487.44)	64.62	419.47	1090.11	486.81
% of Gross Revenue	4.47%	0.51%	2.34%	0.87%	-1.19%	-1.90%	0.31%	1.95%	2.23%	1.12%
C. Profit/(Loss) after Taxes	607.06	74.49	421.73	131.80	(172.08)	(79.39)	31.95	316.37	725.11	441.81
% of Gross Revenue	2.38%	0.28%	1.66%	0.58%	-0.73%	-0.31%	0.15%	1.47%	1.49%	1.02%
D. Return on Shareholders' Funds %	5.94%	0.77%	4.35%	1.38%	-1.81%	-0.84%	0.33%	3.27%	4.92%	2.64%
III. EQUITY SHAREHOLDERS' EARNINGS										
A. Earning per Equity Share *	Rs. 7.30	0.40	3.62	1.23	(0.28)	(0.10)	0.46	1.59	5.38	1.79
B. Dividend per Equity Share *	Rs. 2.00	0.50	1.00	0.50	—	0.50	1.00	1.50	3.00	2.50
C. Equity Dividend	Rs. 218.11	54.53	109.06	54.53	—	54.53	109.06	163.58	327.17	272.64
D. Net Worth per Equity Share*	Rs. 93.67	88.70	88.88	87.59	86.95	86.87	87.98	88.65	135.03	153.29
E. Market Rate as on 31st March	Rs. 58.25	26.45	53.15	41.17	58.90	60.05	74.10	64.45	65.90	59.80
* Face Value of Equity Share - Rs. 5/- for FY 2002-03 and subsequent years, Rs. 10/- for earlier years.										

EXCEL INDUSTRIES LIMITED

SUMMARISED BALANCE SHEET

As at 31st March

	2010		2009	
	Rupees (in lacs)	Rupees (in lacs)	Rupees (in lacs)	Rupees (in lacs)
WHAT THE COMPANY OWNED				
1. FIXED ASSETS				
Gross Block	21852.77		21596.16	
Less: Depreciation	<u>11412.76</u>		<u>10945.71</u>	
		10440.01		10650.45
2. INTANGIBLE ASSETS		85.52		132.11
3. INVESTMENTS		996.15		997.49
4. NET CURRENT ASSETS		<u>6173.12</u>		<u>6435.91</u>
		<u>17694.80</u>		<u>18215.96</u>
WHAT THE COMPANY OWED				
1. BORROWINGS		6011.05		7523.50
2. NET WORTH (Shareholders' Equity) Represented by				
(i) Share Capital	545.28		545.28	
(ii) Reserves	<u>9670.21</u>		<u>9127.96</u>	
		10215.49		9673.24
3. DEFERRED TAX LIABILITY (NET)		<u>1468.26</u>		<u>1019.22</u>
		<u>17694.80</u>		<u>18215.96</u>

SUMMARISED PROFIT AND LOSS ACCOUNT

For the year ended 31st March

	2010		2009	
	Rupees (in lacs)	Rupees (in lacs)	Rupees (in lacs)	Rupees (in lacs)
WHAT THE COMPANY EARNED				
From Sales		23554.46		25119.90
From Export Earnings	156.18		182.07	
From Other Sources	<u>1786.74</u>		<u>1661.56</u>	
		1942.92		1843.63
		<u>25497.38</u>		<u>26963.53</u>
WHAT THE COMPANY SPENT				
On Manufacturing Costs		19308.95		21603.57
On Employees		3338.43		3258.59
Interest on Loans		717.43		961.38
Depreciation		<u>992.96</u>		<u>1002.91</u>
		24357.77		26826.45
OPERATING PROFIT		<u>1139.61</u>		<u>137.08</u>

EXCEL INDUSTRIES LIMITED

AUDITORS' REPORT

TO
THE MEMBERS OF
EXCEL INDUSTRIES LIMITED

1. We have audited the attached balance sheet of Excel Industries Limited ('the Company') as at 31 March 2010 and also the profit and loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - v. On the basis of the written representations received from the directors, as on 31 March 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2010;
 - (b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - (c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For S. R. BATLIBOI & CO.

Firm registration number: 301003E
Chartered Accountants

per Vijay Maniar

Partner
Membership No.: 36738

Place : Mumbai
Date : 21 May 2010

EXCEL INDUSTRIES LIMITED

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

Re: Excel Industries Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets in respect of additions made after 1 April 2002. *Substantial portion of fixed assets records were destroyed in the fire that took place at the registered office of the Company at Mumbai on 22 March, 2002.* During the year, the Company has reconstructed the fixed asset register in respect of Lote plant and *is in process of reconstructing the same for Roha plant.* Subject to the foregoing, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management under a phased programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, *material discrepancies were identified* on such verification which have been properly dealt with in the books of accounts.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) As informed, the Company has not granted or taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence clauses 4(iii)(b) to 4(iii)(g) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time. However, in respect of certain transactions of purchases and sales of goods, material or services, we are unable to comment in respect thereof in the absence of similar transactions with other parties.
- (vi) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, there are no dues outstanding on account of any dispute of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, except as follows:

Name of the statute	Nature of dues	Amount (Rs in lacs)	Period to which amount pertains	Forum where dispute is pending
Central Excise	Excise Duty Demand	0.25	2003-04	Revision Application Unit, New Delhi
Central Excise	Excise Duty Demand	14.39	2002-05	Additional Commissioner, Raigad
State Excise Act	Excise Duty Demand	127.88	2002-10	Commissioner of State Excise
Central Excise	Excise Duty Demand	0.17	2004-09	Commissioner of Central Excise
Service Tax	Service Tax Demand	11.06	2004-09	Commissioner of Service Tax, Raigad
Service Tax	Service Tax Demand	3.37	2007-10	Commissioner of Central Excise, Alibag
Service Tax	Reversal of Cenvat Credit of Service Tax	0.14	2005-09	Superintendent Central Excise, Lote
Central Sales Tax	Sales Tax Demand	5.14	2004-05	Deputy Commissioner of Sales Tax, Mumbai

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S. R. BATLIBOI & CO.

Firm registration number: 301003E

Chartered Accountants

per Vijay Maniar

Partner

Membership No.: 36738

Place : Mumbai

Date : 21 May 2010

EXCEL INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	(Rs. in lacs)	As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS:				
(a) Share Capital	'A'	5,45.28		5,45.28
(b) Reserves and Surplus	'B'	96,70.21		91,27.96
			102,15.49	96,73.24
2. LOAN FUNDS:				
(a) Secured Loans	'C'	34,18.00		47,84.75
(b) Unsecured Loans	'D'	25,93.05		27,38.75
			60,11.05	75,23.50
3. DEFERRED TAX LIABILITY (NET) (Refer Note No. 12 of Schedule 'T').			14,68.26	10,19.22
TOTAL			176,94.80	182,15.96
APPLICATION OF FUNDS				
1. FIXED ASSETS:	'E'			
(a) Gross Block		215,07.89		214,74.10
(b) Less: Accumulated Depreciation		114,12.76		109,45.71
(c) Net Block		100,95.13		105,28.39
(d) Capital Work-in-Progress including capital advances		3,44.88		1,22.06
			104,40.01	106,50.45
2. INTANGIBLE ASSETS	'F'		85.52	1,32.11
3. INVESTMENTS	'G'		9,96.15	9,97.49
4. CURRENT ASSETS, LOANS AND ADVANCES:				
(a) Interest accrued and due		—		1.51
(b) Inventories	'H'	33,81.71		36,18.27
(c) Sundry Debtors	'I'	56,36.90		55,55.91
(d) Cash and Bank Balances	'J'	2,55.27		1,85.66
(e) Other Current Assets	'K'	2,98.38		3,97.27
(f) Loans and Advances	'L'	19,34.71		17,88.96
		115,06.97		115,47.58
LESS: CURRENT LIABILITIES AND PROVISIONS:				
(a) Current Liabilities	'M'	38,91.87		39,99.30
(b) Provisions	'N'	14,41.98		11,12.37
		53,33.85		51,11.67
NET CURRENT ASSETS			61,73.12	64,35.91
TOTAL			176,94.80	182,15.96
NOTES TO ACCOUNTS	'T'			

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date

For S. R. BATLIBOI & CO.
Firm Registration No: 301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No. 36738

Place : Mumbai
Date: 21 May 2010

For and on behalf of the Board of Directors of Excel Industries Limited

A.C. SHROFF
Chairman and Managing Director

S.R. POTDAR
Executive Director

Place : Mumbai
Date: 21 May 2010

U.A. SHROFF
Executive Vice Chairperson

KAILAS DABHOLKAR
Vice President – Finance and Taxation

S. K. SINGHVI
Company Secretary

EXCEL INDUSTRIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
INCOME				
Sale of Products (Gross)		235,54.46		251,19.90
Less: Excise Duty (Refer Note No. 18 of Schedule 'T')		13,22.76		20,00.78
Sale of Products (Net)			222,31.70	231,19.12
Processing Charges [Tax deducted at source: Rs. 27.45 lacs (Previous Year: Rs. 22.47 lacs)]			13,07.21	9,63.29
Other Income from operations	'O'		4,34.26	6,40.80
Other Income	'P'		2,01.45	2,39.54
			241,74.62	249,62.75
EXPENDITURE				
Manufacturing and Other Expenses	'Q'	207,75.49		232,32.48
(Increase)/Decrease in Stocks	'R'	5,49.13		(3,71.10)
Depreciation/Amortisation		9,92.96		10,02.91
Interest	'S'	7,17.43		9,61.38
			230,35.01	248,25.67
PROFIT BEFORE TAXATION			11,39.61	1,37.08
Less: Provision for Taxation:				
Current Tax		1,24.00		7.00
In respect of Earlier Years		1,36.27		6.57
Minimum Alternative Tax Entitlement [Including Rs. 96.75 lacs (Previous Year: Nil) in respect of earlier years]		(1,78.75)		(7.00)
Wealth Tax		2.00		2.00
Deferred Tax		4,49.03		25.52
Fringe Benefit Tax		—		28.50
			5,32.55	62.59
PROFIT AFTER TAXATION BUT BEFORE PRIOR PERIOD ADJUSTMENTS			6,07.06	74.49
Add/(Less): Prior Period Adjustments [Net of Tax Rs. 1,57.32 lacs (Previous Year: Rs. 26.91 lacs)]			1,89.53	(30.34)
NET PROFIT			7,96.59	44.15
Balance brought forward from previous year			11,22.80	12,42.45
PROFIT AVAILABLE FOR APPROPRIATION			19,19.39	12,86.60
Less: Appropriations				
(a) Proposed Dividend		2,18.11		54.53
(b) Tax on Distributed Profits		36.23		9.27
(c) Transfer to General Reserve		3,00.00		1,00.00
			5,54.34	1,63.80
Surplus carried to Balance Sheet			13,65.05	11,22.80
EARNING PER SHARE				
(Refer Note No. 13 of Schedule 'T')				
Basic and Diluted Earning Per Share (Rs.)			7.30	0.40
Face Value Per Share (Rs.)			5.00	5.00
NOTES TO ACCOUNTS	'T'			

The schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our report of even date

For S. R. BATLIBOI & CO.
Firm Registration No: 301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No. 36738

Place : Mumbai
Date: 21 May 2010

For and on behalf of the Board of Directors of Excel Industries Limited

A.C. SHROFF
Chairman and Managing Director

S.R. POTDAR
Executive Director

Place : Mumbai
Date: 21 May 2010

U.A. SHROFF
Executive Vice Chairperson

KAILAS DABHOLKAR
Vice President – Finance and Taxation

S. K. SINGHVI
Company Secretary

EXCEL INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	For the year ended 31st March, 2010 (Rs. in lacs)	For the year ended 31st March, 2009 (Rs. in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary Items	11,39.61	1,37.08
Adjustments for:		
Depreciation	9,46.37	9,56.32
Amortisation of Intangible Assets	46.59	46.59
Assets written off	5,01.26	20.47
Investments written off	1.34	-
Provision for Diminution in value of investments written back	—	(63.97)
Provision for Diminution in value of investments	—	27.26
Provision for Doubtful Debts/Advances	3.50	6,61.32
Sundry Credit Balances written back	(0.50)	(23.13)
Bad Debts/Sundry Debit Balances Written Off (Net)	91.81	—
Loss/(Profit) on sale of Fixed Assets	(1.56)	19.00
Loss/(Profit) on sale of Investments	—	63.97
Contribution/Provision for Gratuity/Leave Encashments	3,60.56	3,72.86
Interest received	(23.92)	(16.86)
Interest paid	7,17.43	9,61.38
Dividend Received	(1,33.74)	(1,16.76)
Manufacturing Expenses Capitalised	(2,68.65)	(69.87)
Exchange Difference on loans taken	55.56	(1,62.28)
Excess Provision for depreciation	(9.85)	(0.46)
Short Provision for depreciation	0.25	—
Short/(Excess) Provision for other items (Net)	5.35	(86.41)
	22,91.80	25,89.42
Operating Profit before working capital changes	34,31.41	27,26.50
Adjustments for:		
Decrease/(Increase) in Sundry Debtors	(1,75.80)	1,86.38
Decrease/(Increase) in Inventories	2,36.56	(3,59.96)
Decrease/(Increase) in Other Current Assets	99.87	(46.68)
Decrease/(Increase) in Loans & Advances	74.51	(1,54.85)
Increase/(Decrease) in Current Liabilities & Provisions	(7,58.29)	(11,36.46)
	(5,23.15)	(15,11.57)
Cash generated from Operations	29,08.26	12,14.93
Interest paid	7,28.52	9,29.75
Direct taxes paid	1,23.22	1,20.58
	8,51.74	10,50.33
Cash flow before extraordinary items	20,56.52	1,64.60
Prior Period Adjustments (Other than Taxation)	1,89.53	(30.34)
Net cash from/(used in) Operating Activities (A)	22,46.05	1,34.26
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(6,72.16)	(6,18.20)
Sale of fixed assets	14.79	18.23
Sale of Investments	—	2,05.20
Interest received	22.94	38.52
Dividend received	1,33.74	1,16.76
Sundry Loans (given)/returned	(40.00)	(56.00)
Net Cash from/(used in) Investing Activities (B)	(5,40.69)	(2,95.49)

EXCEL INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010 (Contd.)

	For the year ended 31st March, 2010 (Rs. in lacs)	For the year ended 31st March, 2009 (Rs. in lacs)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds from borrowings	16,25.40	34,64.49
Repayment of borrowings	(31,93.41)	(31,37.56)
Dividend Paid	(58.47)	(1,10.18)
Tax on distributed Profits	(9.27)	(18.54)
Net cash from/(used in) Financing Activities (C)	(16,35.75)	1,98.21
Net increase in cash and cash equivalents (A+B+C)	69.61	36.99
Cash and cash equivalents at the beginning of the year	1,85.66	1,48.67
Cash and cash equivalents at the end of the year	2,55.27	1,85.66
Components of Cash and Cash Equivalents.		
Cash on hand	—	0.27
Balances with Scheduled Banks:		
(i) In Unclaimed Dividend Accounts*	7.39	11.33
(ii) In Current Accounts	63.15	98.91
(iii) In Deposits	73.00	73.00
(iv) In Margin Money Accounts	1,11.73	2.15
	2,55.27	1,85.66

*These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

Note: Cash and cash equivalents at the end of the year are after adjustment of foreign exchange gain of **Rs. (-)2.17 lacs** (Previous Year: Rs. 4.14 lacs).

As per our report of even date

For S. R. BATLIBOI & CO.
Firm Registration No: 301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No. 36738

Place : Mumbai
Date: 21 May 2010

For and on behalf of the Board of Directors of Excel Industries Limited

A.C. SHROFF
Chairman and Managing Director

U.A. SHROFF
Executive Vice Chairperson

S.R. POTDAR
Executive Director

KAILAS DABHOLKAR
Vice President – Finance and Taxation

S. K. SINGHVI
Company Secretary

Place : Mumbai
Date: 21 May 2010

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'A'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
SHARE CAPITAL			
Authorised:			
3,80,00,000	(Previous Year: 3,80,00,000) Equity Shares of Rs. 5/- each	19,00.00	19,00.00
8,50,000	(Previous Year: 8,50,000) 11% Cumulative Redeemable Preference Shares of Rs. 10/- each	85.00	85.00
3,00,000	(Previous Year: 3,00,000) Unclassified Shares of Rs. 5/- each	15.00	15.00
		<u>20,00.00</u>	<u>20,00.00</u>
Issued, Subscribed and Paid-up:			
1,09,05,630	(Previous Year: 1,09,05,630) Equity Shares of Rs. 5/- each fully Paid-up [Of the above Equity Shares, 98,10,710 (Previous Year: 98,10,710) Equity Shares have been allotted as fully paid-up by way of Bonus Shares by capitalisation of General Reserve]	5,45.28	5,45.28
	TOTAL	<u>5,45.28</u>	<u>5,45.28</u>

SCHEDULE 'B'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
RESERVES AND SURPLUS			
1.	Capital Reserve:		
(a)	Profit on repurchase of Debentures	0.01	0.01
(b)	Government Grants/Subsidies	70.00	70.00
		<u>70.01</u>	<u>70.01</u>
2.	Securities Premium Account	1,81.08	1,81.08
3.	General Reserve:		
	Balance as per last Balance Sheet	77,54.07	76,54.07
	Add: Transferred from Profit and Loss Account	3,00.00	1,00.00
		<u>80,54.07</u>	<u>77,54.07</u>
4.	Profit and Loss Account	13,65.05	11,22.80
	TOTAL	<u>96,70.21</u>	<u>91,27.96</u>

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET

SCHEDULE 'C'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
SECURED LOANS		(Rs. in lacs)	
1. From Banks:			
(a) On Working Capital Demand Loan Accounts	9,99.97		9,99.97
(b) On Cash Credit Accounts	23,31.83		28,68.72
(c) On Term Loan Accounts	62.50		8,87.50
(d) Under Vehicle Finance	1.31		5.46
		33,95.61	47,61.65
(Refer Note Nos. 1, 2, 3 and 4 given below)			
2. From Others:			
Under Vehicle Finance		22.39	23.10
(Refer Note No. 2 given below)			
	TOTAL	34,18.00	47,84.75
Notes:			
1. Loans from Banks on Cash Credit and Working Capital Demand Loan Accounts are secured by hypothecation of all tangible movable assets, both present and future, including stock of raw materials, finished goods, goods-in-process, stores, book debts etc. and is secured by a second charge on the fixed assets at Roha and Lote Parshuram.			
2. Term Loan under Vehicle Finance from HDFC Bank Limited amounting to Rs 1.31 lacs (Previous Year: Rs 5.46 lacs) and from Kotak Mahindra Prime Limited amounting to Rs. 22.39 lacs (Previous Year: Rs 23.10 lacs) respectively are secured by hypothecation of the vehicles acquired by utilising the said loans.			
3. Term Loans from Bank of India amounting to Rs 62.50 lacs (Previous Year: Rs 3,12.50 lacs) is secured by first charge on all movable fixed assets, both present and future, of its units situated at Roha and Lote Parshuram and is further secured by mortgage by immovable properties, both present and future, of its units situated at Roha and Lote Parshuram.			
4. The aforesaid charges are exclusive of book debts and stocks which are charged in favour of the Company's bankers for securing borrowings for working capital requirements.			

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'D'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
UNSECURED LOANS			
1.	Fixed Deposits [Due within one year: Rs 2,36.07 lacs (Previous Year: Rs 4,70.98 lacs)]	17,91.82	9,67.65
2.	Short Term Loans From Banks [Due within one year: Rs 7,51.23 lacs (Previous Year: Rs 13,46.10 lacs)]	7,51.23	13,46.10
3.	Inter Corporate Deposits [Due within one year: Rs 50.00 lacs (Previous Year: Rs 4,25.00 lacs)]	50.00	4,25.00
TOTAL		25,93.05	27,38.75

SCHEDULE 'E'											(Rs. in lacs)
FIXED ASSETS											
Sr. No.	Description of Assets	GROSS BLOCK (AT COST OR VALUATION)				DEPRECIATION/AMORTISATION				NET BLOCK	
		I	II	III	IV	V	VI	VII	VIII	IX	X
		As at 1st April, 2009	Additions during the year	Deductions during the year	As at 31st March, 2010	As at 1st April, 2009	Deductions/ Adjust-ments	Provided during the year	As at 31st March, 2010	As at 31st March, 2010	As at 31st March, 2009
I.	LAND — FREEHOLD	1,48.98	23.93	—	1,72.91	—	—	—	—	1,72.91	1,48.98
II.	LAND — LEASEHOLD	2,82.71	—	—	2,82.71	37.97	—	4.53*	42.50	2,40.21	2,44.74
III.	LEASEHOLD IMPROVEMENTS	—	23.43	—	23.43	—	—	3.55	3.55	19.88	—
IV.	BUILDINGS (Refer Note No. 2 below)	21,90.14	25.93	4.11	22,11.96	6,01.07	2.49	56.85	6,55.43	15,56.53	15,89.07
V.	PLANT AND MACHINERY	163,16.53	5,56.51	5,53.39	163,19.65	84,28.93	3,74.77@	7,42.01**	87,96.17	75,23.48	78,87.60
VI.	DATA PROCESSING EQUIPMENT	8,37.45	42.44	28.42	8,51.47	6,50.43	35.62	54.44	6,69.25	1,82.22	1,87.02
VII.	ELECTRICAL INSTALLATION	4,93.91	—	5.56	4,88.35	3,12.96	4.01	25.36	3,34.31	1,54.04	1,80.95
VIII.	LABORATORY EQUIPMENTS	2,38.94	—	8.06	2,30.88	2,19.76	7.17@	5.04	2,17.63	13.25	19.18
IX.	FURNITURE, FIXTURES AND OFFICE EQUIPMENTS	6,95.84	9.94	51.32	6,54.46	5,12.85	29.66@	27.81**	5,11.00	1,43.46	1,82.99
X.	VEHICLES	2,61.95	35.37	33.35	2,63.97	1,76.64	25.85@	26.55**	1,77.34	86.63	85.31
XI.	TECHNICAL BOOKS	7.65	0.45	—	8.10	5.10	—	0.48	5.58	2.52	2.55
TOTAL		214,74.10	7,18.00	6,84.21	215,07.89	109,45.71	4,79.57	9,46.62	114,12.76	100,95.13	105,28.39
PREVIOUS YEAR		207,21.74	8,86.55	1,34.19	214,74.10	100,66.35	76.96@	9,56.32**	109,45.71		
CAPITAL WORK-IN-PROGRESS (Refer Note No. 3 below)										3,44.88	1,22.06
		TOTAL								104,40.01	106,50.45

NOTES:

- * Amount written off in respect of Leasehold Land.
- Buildings include cost of shares in Co-operative Housing Societies **Rs. 0.01 lac** (Previous Year: Rs. 0.01 lac).
- Capital Work-in-Progress includes Advance for Capital Expenditure **Rs. 1,19.24 lacs** (Previous Year: Rs. 1,06.36 lacs).
- ** Includes Short Provision for Depreciation for earlier years **0.25 lac** (Previous Year: Nil).
- @ Includes Excess Provision for Depreciation for earlier years written back **Rs. 9.85 lacs** (Previous Year: Rs. 0.46 lac).
- Also refer Note No. 5 of Schedule 'T' in respect of revaluation of assets situated at Roha.
- Buildings include Buildings given on operating lease:
Gross Book value **Rs. 1,40.92 lacs** (Previous Year: Rs. 1,40.74 lacs)
Accumulated depreciation **Rs. 75.45 lacs** (Previous Year: Rs. 73.47 lacs)
Depreciation for the year **Rs. 1.92 lacs** (Previous Year: Rs. 1.97 lacs)
Net Block **Rs. 63.55 lacs** (Previous Year: Rs. 65.30 lacs)

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'F'

INTANGIBLE ASSETS

(Rs. in lacs)

SR. NO.	DESCRIPTION OF INTANGIBLE ASSETS	GROSS AMOUNT				AMORTISATION			NET AMOUNT	
		As at 1st April, 2009	Additions during the year	Deductions during the year	As at 31st March, 2010	As at 1st April, 2009	Deductions/ Adjustments	Provided during the year	As at 31st March, 2010	As at 31st March, 2009
1.	Computer Software	1,86.34	—	—	1,86.34	54.23	—	46.59	1,00.82	1,32.11
2.	Trademarks	7.00	—	—	7.00	7.00	—	—	7.00	—
	TOTAL	1,93.34	—	—	1,93.34	61.23	—	46.59	1,07.82	1,32.11
	Previous Year	1,93.34	—	—	1,93.34	14.64	—	46.59	61.23	

SCHEDULE 'G'

INVESTMENTS (AT COST)

(Rs. in lacs)

As at 31st March, 2010
(Rs. in lacs)

As at 31st March, 2009
(Rs. in lacs)

LONG-TERM

1. IN SUBSIDIARY COMPANY (Unquoted) (Trade Investments):

1,99,982 (Previous Year: 1,99,982) Equity Shares of Rs. 100/- each fully paid-up in Kamaljiyot Investments Limited

1,99.98

1,99.98

2. TRADE INVESTMENTS :

Quoted

(a) **1,00,000** (Previous Year: 1,00,000) Equity Shares of Rs. 5/- each fully paid-up in Excel Crop Care Limited

0.40

0.40

(b) **5,84,977** (Previous Year: 5,84,977) Equity Shares of Rs. 10/- each fully paid-up in Punjab Chemicals and Crop Protection Limited

3,09.00

3,09.00

Unquoted

(a) **8,88,750** (Previous Year: 8,88,750) Equity Shares of Rs. 10/- each fully paid-up in TML Industries Limited (formerly Transmetal Limited)

1,77.75

1,77.75

(b) **10,67,450** (Previous Year: 10,67,450) Equity Shares of Rs. 10/- each fully paid-up in Transpek-Silox Industry Limited

2,86.08

2,86.08

(c) **4,68,000** (Previous Year: 4,68,000) Equity Shares of Hong Kong \$ 1 each fully paid-up in Wexsam Limited, Hong Kong

27.26

27.26

8,00.49

8,00.49

3. OTHER THAN TRADE:

Quoted

(a) **4,285** (Previous Year: 4,285) Equity Shares of Rs. 10/- each fully paid-up in TIL Limited

1.53

1.53

(b) **35,900** (Previous Year: 35,900) Equity Shares of Rs. 10/- each fully paid-up in Bank of India

16.16

16.16

Unquoted

(a) **2,500** (Previous Year: 2,500) Equity Shares of Rs. 10/- each fully paid-up in The Saraswat Co-operative Bank Limited

0.25

0.25

(b) **50,000** (Previous Year: 50,000) Equity Shares of Rs. 10/- each fully paid-up in Biotech Consortium India Limited

5.00

5.00

(c) Government Securities — National Saving Certificates

—

1.34

22.94

24.28

10,23.41

10,24.75

Less: Provision for Diminution in value of long-term Investments

27.26

27.26

TOTAL

9,96.15

9,97.49

Notes:

1. Aggregate amount of Quoted Investments:

Cost (Net of provision for diminution)

3,27.09

3,27.09

Market Value

12,93.06

9,85.01

2. Aggregate amount of Unquoted Investments:

Cost (Net of provision for diminution)

6,69.06

6,70.40

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'H'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
INVENTORIES	(Rs. in lacs)		
(at lower of cost or net realisable value)			
1. Stores and Spares (including Fuel)		2,85.91	3,09.42
2. Containers		83.28	71.82
3. Stock-in-Trade:			
(a) Finished Products	12,83.53		17,33.19
(b) Semi-finished Products	2,36.20		3,61.74
(c) Traded Goods	1,12.68		86.61
(d) Raw Materials [Including Stock-in-Transit Rs. 9,00.00 lacs (Previous Year: Rs. 1,58.95 lacs)]	13,80.11		10,55.49
		30,12.52	32,37.03
TOTAL		33,81.71	36,18.27

SCHEDULE 'I'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
SUNDRY DEBTORS	(Rs. in lacs)		
Unsecured			
(a) Debts outstanding for a period exceeding six months:			
Considered Good	2,02.87		8,87.16
Considered Doubtful	—		10,15.81
	2,02.87		19,02.97
Less: Provision for Doubtful Debts	—		10,15.81
		2,02.87	8,87.16
(b) Other Debts:			
Considered Good		54,34.03	46,68.75
TOTAL		56,36.90	55,55.91

SCHEDULE 'J'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
CASH AND BANK BALANCES	(Rs. in lacs)		
1. Cash on hand		—	0.27
2. Balances With Scheduled Banks:			
(i) In Unclaimed Dividend Accounts	7.39		11.33
(ii) In Current Accounts	63.15		98.91
(iii) In Deposits	73.00		73.00
(iv) In Margin Money Accounts	1,11.73		2.15
		2,55.27	1,85.39
TOTAL		2,55.27	1,85.66

SCHEDULE 'K'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
OTHER CURRENT ASSETS			
1. Interest Receivable		5.56	4.58
2. Export Benefits Receivable		1,94.27	2,99.40
3. Income Tax Refund Receivable		85.94	85.94
4. Miscellaneous Receivables		5.18	5.59
5. Unamortised Premium on Forward Contract		7.43	1.76
TOTAL		2,98.38	3,97.27

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'L'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
LOANS AND ADVANCES		(Rs. in lacs)	
Unsecured and Considered Good, unless otherwise stated			
1. Loan to Subsidiary Company (Refer Note No. 20 of Schedule 'T')		2,55.00	2,15.00
2. Advances recoverable in cash or in kind or for value to be received			
— Considered Good	10,06.30		8,02.91
— Considered Doubtful	24.50		21.00
	10,30.80		8,23.91
Less: Provision for Doubtful Advances	24.50		21.00
		10,06.30	8,02.91
3. Minimum Alternative Tax Credit Entitlement		2,62.75	84.00
4. Balance with Excise Authorities		2,38.83	5,28.95
5. VAT Credit (Input) Receivable		12.28	5.90
6. Sundry Deposits		1,59.55	1,52.20
TOTAL		19,34.71	17,88.96

SCHEDULE 'M'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
LIABILITIES		(Rs. in lacs)	
1. Acceptances		3,05.94	2,01.23
2. Sundry Creditors			
— total outstanding dues of Micro and Small Enterprises (Refer Note No. 7 of Schedule 'T')		—	—
— total outstanding dues of creditors other than Micro and Small Enterprises		25,94.15	31,93.80
3. Other Liabilities		4,00.29	1,23.74
4. Other Payables		2,69.58	2,38.30
5. Advances from Customers		1,57.54	90.69
6. Overdrawn Bank Balances		58.85	—
7. Investor Education and Protection Fund shall be credited by the following amounts, as and when due:			
(a) Unclaimed Dividend	7.16		11.10
(b) Unclaimed Matured Deposits	16.66		9.10
		23.82	20.20
8. Sundry Deposits		40.16	78.70
9. Interest accrued but not due on Loans		41.54	52.64
TOTAL		38,91.87	39,99.30

SCHEDULE 'N'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
PROVISIONS			
1. Provision for Taxation [net of Advance tax Rs. 21,69.93 lacs (Previous Year: Rs. 16,98.92 lacs)]		4,97.26	3,58.21
2. Provision for Fringe Benefit Tax [net of Advance tax Rs. 84.95 lacs (Previous Year: Rs. 84.95 lacs)]		4.55	4.55
3. Proposed Dividend on Equity Shares		2,18.11	54.53
4. Provision for Tax on Distributed Profits		36.23	9.27
5. Provision for Gratuity (Refer Note No. 14 of Schedule 'T')		2,16.67	3,35.56
6. Provision for Other Retirement Benefits		4,69.16	3,50.25
TOTAL		14,41.98	11,12.37

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'O'		Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
OTHER INCOME FROM OPERATIONS			
1.	Incentives on Exports	1,56.18	1,82.07
2.	Sales-tax/VAT Refund	8.95	41.07
3.	Diminution in the value of long-term investment written back	—	63.97
4.	(Short)/Excess Accruals written back (Net) (Refer Note No. 11 of Schedule 'T')	4.25	86.87
5.	Commission Received [Tax deducted at source: Nil (Previous Year: Nil)]	15.18	15.09
6.	Royalty Income [Tax deducted at source: Rs. 8.00 lacs (Previous Year: Rs. 8.74 lacs)]	72.50	69.99
7.	Sundry Credit Balances written back (Net)	0.50	23.13
8.	Miscellaneous Income	1,76.70	1,58.61
TOTAL		<u>4,34.26</u>	<u>6,40.80</u>

SCHEDULE 'P'		Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
OTHER INCOME			
1.	Income from Long-Term Investments (Gross):		
(a)	Interest on Investments on Other than Trade [Tax deducted at source: Nil (Previous Year: Nil)]	—	2.31
(b)	Dividend on Trade Investments	1,31.72	1,13.78
(c)	Dividend on Other than Trade Investments	2.02	2.98
		<u>1,33.74</u>	<u>1,19.07</u>
2.	Interest on Income Tax Refund	—	3.72
3.	Interest on Loans, Deposits, etc. (Gross) [Tax deducted at source: Rs. 2.82 lacs (Previous Year: Rs. 1.15 lacs)]	23.92	10.83
4.	Rent [Tax deducted at source: Rs. 4.29 lacs (Previous Year: Rs. 24.63 lacs)]	43.79	1,05.92
TOTAL		<u>2,01.45</u>	<u>2,39.54</u>

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'Q'		Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
MANUFACTURING AND OTHER EXPENSES	(Rs. in lacs)		
1. RAW MATERIALS CONSUMED:			
Opening Stock	10,55.49		11,28.06
Add: Purchases	106,14.91		123,32.54
	116,70.40		134,60.60
Less: Closing Stock	13,80.11		10,55.49
		102,90.29	124,05.11
2. PURCHASES OF TRADED GOODS		5,22.07	4,95.38
3. CONTAINERS AND PACKING MATERIALS CONSUMED		6,65.16	5,70.14
4. PERSONNEL EXPENSES			
(a) Salaries, Wages, Bonus and Other Benefits	25,25.40		24,30.64
(b) Contribution to Provident Fund and Other Funds	2,58.42		2,42.90
(c) Provision/Payment of Gratuity (Refer Note No.14 of Schedule 'T')	1,85.64		1,99.91
(d) Provision for Other Retirement Benefits	1,74.92		1,72.95
(e) Welfare Expenses	1,94.05		2,12.19
		33,38.43	32,58.59
5. OPERATING AND OTHER EXPENSES:			
(a) Stores and Spares Consumed	46.53		1,81.05
(b) Power and Fuel	18,64.99		16,38.78
(c) Repairs to Buildings	38.75		24.39
(d) Repairs to Machinery	6,90.74		6,89.80
(e) Other Repairs	82.23		81.39
(f) Processing Charges	1,52.50		3,50.94
(g) Rent	31.38		18.83
(h) Rates and Taxes	64.24		54.24
(i) Insurance Charges	37.55		48.05
(j) Commission on Sales to others	87.97		88.32
(k) Discount on Sales	24.19		21.88
(l) Travelling and Conveyance	1,25.91		1,22.02
(m) Charity and Donations	15.23		7.01
(n) Bad Debts/Sundry Debit Balances written off	11,07.62		—
Less : Provision for doubtful debts written back	(10,15.81)		—
	91.81		—
(o) Provision for Doubtful Debts/Advances	3.50		6,61.32
(p) Loss on sale of Long Term Investments	—		63.97
(q) Assets written off	5,02.55		20.47
(r) Excise Duty Paid (Refer Note No.18 of Schedule 'T')	29.32		41.15
(s) Exchange Difference (Net)	45.27		2,51.37
(t) Provision for Diminution in the value of Long-term Investments	—		27.26
(u) Freight Outwards and Forwarding expenses	5,28.49		6,32.21
(v) Directors' Fees	3.20		3.60
(w) Loss on sale of Assets (Net)	0.17		60.78
(x) Other Expenses (Refer Note No.9.1 of Schedule 'T')	14,93.02		14,14.43
		59,59.54	65,03.26
TOTAL		207,75.49	232,32.48

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'R'		Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
(INCREASE)/DECREASE IN STOCKS		(Rs. in lacs)	
(a) Opening Stocks :			
Finished Products	17,33.19		11,88.10
Semi-finished Products	3,61.74		5,51.53
Traded Goods	86.61		70.81
		21,81.54	18,10.44
(b) Less: Closing Stocks			
Finished Products	12,83.53		17,33.19
Semi-finished Products	2,36.20		3,61.74
Traded Goods	1,12.68		86.61
		16,32.41	21,81.54
		5,49.13	(3,71.10)
SCHEDULE 'S'		Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
INTEREST			
1. On Intercompany/Fixed deposits		1,96.42	1,68.14
2. On Term loans with banks		50.07	1,65.20
3. On Cash Credit/Working Capital Demand Loan Accounts		3,99.16	4,90.12
4. Others		71.78	1,37.92
	TOTAL	7,17.43	9,61.38

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'

NOTES TO ACCOUNTS

1 NATURE OF OPERATIONS:

Excel Industries Limited is engaged in manufacturing of Chemicals and Environmental products. Chemicals comprise of Industrial/Specialty chemicals and Pesticides Intermediates. Environmental products comprise of Soil Enricher, Bio - Pesticides and other Bio-products. The Company is also engaged in manufacturing activity on behalf of third parties.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of Preparation:

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which revaluation is carried out. The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.

(b) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) Fixed Assets and Depreciation:

(i) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation/amortisation and provision for impairment, if any, except for the following:

- (a) Land, Buildings, Plant and Machinery and Electrical Installations situated at Roha are stated at their revalued amounts.
- (b) Assets at Mumbai installed up to 31 March, 2002 are stated at cost as estimated by an approved valuer.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

(ii) Depreciation and Amortisation:

- (a) Leasehold Land (at cost or revalued as the case may be) is amortised over the period of 69 Years and 95 Years for Roha and Lote Parshuram site respectively.

(b) Other Fixed Assets:

- 1. In the case of following assets (which have been revalued) at Roha, depreciation has been provided on straight line (SL) basis over the balance useful life of the assets as estimated by the approved valuer or at the rates specified in Schedule XIV to the Companies Act, 1956, whichever are higher.

Description of Tangible Assets	* Rates (SL Method) (Range)	Schedule XIV Rates (SL Method)
Buildings	1.63% – 19.00%	1.63%
Plant & Machinery	5.28% – 47.50%	5.28%
Electrical Installations	5.28% – 31.67%	5.28%

* Depreciation Rates on SL Method for the balance useful life as estimated by the valuer.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

2. In respect of Buildings, Plant and Machinery and Electrical Installations, except additions to the aforesaid Fixed Assets at Mumbai upto 30 September 1981, on straight line basis in accordance with Section 205(2)(b) of the Companies Act, 1956, at the rates specified in Schedule XIV to the Companies Act, 1956.
 3. In respect of all other Fixed Assets, on written down value basis in accordance with Section 205(2)(a) of the Companies Act, 1956, at the rates specified in Schedule XIV to the Companies Act, 1956.
 4. Individual assets acquired for less than Rs. 5,000 are entirely depreciated in the year of acquisition.
- (d) Impairment:
The carrying amounts of assets are reviewed for impairment at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- (e) Intangible Assets and Amortisation:
- (i) Intangible assets are stated at cost less accumulated amortisation.
 - (ii) Amortisation:
 - (a) Computer software is amortised on a straight line basis proportionately over a period of four years.
 - (b) Trademarks are amortised on a straight line basis proportionately over a period of five years.
- (f) Inventories:
- (i) Raw materials, containers, stores and spares
Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a moving weighted average basis.
 - (ii) Finished goods and Work-in-progress
Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on absorption costing basis at actuals.
 - (iii) Traded Goods
Lower of cost and net realizable value. Cost is determined on a moving weighted average basis.
 - (iv) Work-in-progress in respect of Turnkey Projects is valued at lower of cost and net realisable value.
Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- (g) Investments:
Long-term investments are carried at cost of acquisition. However, the carrying amount is reduced to recognise a decline, other than temporary, in the value of long-term investments by a charge to the Profit and Loss Account.
- (h) Export Benefits:
Duty free imports of raw materials under Advance License for Imports as per the Export and Import Policy are matched with the exports made against the said licenses and the net benefit / obligation is accounted by making suitable adjustments in raw material consumption.
The benefit accrued under the Duty Entitlement Pass Book Scheme as per the Export and Import Policy in respect of exports made under the said Scheme is included under the head "Other Income from Operation" as 'Incentives on Exports'.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

(i) Retirement Benefits:

- (i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contribution to the fund is due. There are no obligations other than the contribution payable to the Provident Fund Trust.
- (ii) Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contribution is charged to the Profit and Loss Account of the year when the contribution accrues. There are no obligations other than the contribution payable to the Superannuation Fund Trust.
- (iii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- (iv) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- (v) Actuarial gains/losses are recognised immediately to the Profit and Loss Account and are not deferred.
- (vi) Payments made under the Voluntary Retirement Scheme are charged to the Profit and Loss Account immediately.

(j) Foreign currency translations:

Foreign currency transactions:

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing exchange rate on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(iv) Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

(k) Research Costs:

Research costs (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

(l) Leases:

(a) Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

(b) Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expenses in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Profit and Loss Account.

(m) Borrowing Costs:

Interest and other costs incurred for acquisition of qualifying assets, up to the date of commissioning/installation, are capitalised as part of the cost of the said assets.

(n) Government Grants:

Government Capital Grants of the nature of promoters' contribution are credited to Capital Reserve and treated as part of Shareholders' Funds.

(o) Accounting for Turnkey Projects:

Income in respect of Turnkey Projects is accounted on the completion of the said projects.

(p) Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Gross turnover includes Excise Duty but does not include Sales Tax and VAT.

Income from Services

Revenues from service contracts are recognised pro-rata over the period of the contract as and when services are rendered and are net of service tax.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

Royalties

Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreement.

Other Income

Certain items of income such as insurance claims, overdue interest from customers etc. are considered to the extent the amount is ascertainable/accepted by the parties.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

(q) Cash and Cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(r) Provisions and contingent liabilities:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when the Company has a possible obligation and it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

(s) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(t) Segment Reporting Policies:

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Unallocated items

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(u) Taxation:

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Fringe Benefit Tax is provided in accordance with the provisions of the Income Tax Act, 1961 and Wealth Tax is provided in accordance with the provisions of the Wealth Tax Act, 1957.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

	As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
3. Contingent Liabilities:		
(a) Bills discounted	67.25	4,65.55
(b) Disputed income-tax liability	6,67.42	12,05.14
(c) Disputed excise duty liability	1,42.69	1,29.16
(d) Disputed sales-tax liability	5.14	—
(e) Disputed service tax liability	14.57	—
(f) Disputed Water Charges	—	18.49
(g) Guarantees given by Company's Bankers on behalf of the Company to third parties	55.16	21.33
(h) (i) Claims against the Company not acknowledged as debts	27.46	27.46
(ii) Liability in respect of claim made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable
4. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,05.81	66.35
5. Land, Buildings, Plant and Machinery and Electrical Installations situated at Roha have been revalued as on 30 September 2001 on the basis of valuation report of Government approved valuers at their depreciated replacement value, resulting in an increase of Rs 15,94.81 lacs in the book value of fixed assets. The depreciation for the year includes an amount of Rs 39.94 lacs (Previous Year: Rs 47.53 lacs) on such revalued assets which has been computed on a Straight Line Basis over the balance useful life of the assets or Schedule XIV rates whichever is higher.		
6. Amounts capitalised and excluded from:		
Manufacturing and Other Expenses	2,68.65	69.87
7. Based on the information available with the Company, there are no suppliers who are registered as micro or small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006", as at 31 March 2010.		
8. The Company had entered into an agreement on 27 December 2005 to develop its plot of land at Jogeshwari. On satisfactory completion of the entire transaction, the Company will secure 41% of the constructed area in return for the transfer of balance 59% rights in the land. The profit arising on the said transaction will crystallise on the completion of the entire development and will be accounted for in the books accordingly.		

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

9. Supplementary Statutory Information

9.1 Auditors' Remuneration:

As an Auditor:

	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
(i) Audit fees	8.00	8.00
(ii) Tax audit fees	3.50	3.25
(iii) Limited Review	1.50	1.50
In other Capacity:		
(iv) Fees for taxation matters	7.56	14.09
(v) Fees for certification and other matters	1.00	1.23
(vi) Out of pocket expenses	0.40	0.20

9.2 (a) Managerial Remuneration to Chairman & Managing Director, Executive Vice-Chairperson and Executive Director:

(i) Salaries	53.14	49.83
(ii) Contribution to Provident and Other Funds	14.05	13.45
(iii) Perquisites and other allowance	16.47	19.82
	83.66	83.10

Note:

As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors are not included above.

- (b) Computation of Net Profit as per Section 349 read with Sections 309(5) and 198 of the Companies Act, 1956 has not been furnished as no commission is payable for the current year to the Chairman & Managing Director, Executive Vice-Chairperson, Executive Director and other Non-Executive Directors.

9.3 Licensed Capacity, Installed Capacity and Production:

Product	Current Year			Previous Year		
	Licensed Capacity (Tonnes)	Installed Capacity (Tonnes)	Production (Tonnes)	Licensed Capacity (Tonnes)	Installed Capacity (Tonnes)	Production (Tonnes)
I. Phosphorous and its Compounds:	45,700	35,000	24,558	45,700	35,000	16,708
II. Chemicals:	10,800	10,400	6,968	10,800	10,400	6,922
III. Organic Manure:	*31,700	12,000	3,765	*31,700	12,000	1,975

Notes:

- (a) Installed Capacity is as certified by the Chairman and Managing Director on which the Auditors have relied, being a technical matter.
(b) Production includes quantities produced for internal consumption and job work.
(c) Production excludes formulations produced out of captive/bought out technical grade materials.
(d) Licensed Capacity includes capacity as acknowledged by the Directorate General of Technical Development/Secretariat for Industrial Approvals.
(e) *Capacity being intimated to Secretariat for Industrial Approvals, for acknowledgement.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES TO ACCOUNTS

9.4 Details of Opening and Closing Stocks of Finished Products:

		Current Year				Previous Year			
		Opening Stock		Closing Stock		Opening Stock		Closing Stock	
		Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount
Class of Products:	Unit		(Rs. in lacs)		(Rs. in lacs)		(Rs. in lacs)		(Rs. in lacs)
I. Manufacturing Activity:									
1. Phosphorous and its Compounds:	Tonnes	1,002	11,16.15	676	4,05.99	667	3,59.28	1,002	11,16.15
2. Chemicals:	Tonnes	426	6,04.95	739	7,98.92	679	7,86.73	426	6,04.95
3. Organic Manure:	Tonnes	157	5.24	4,185	64.70	2,306	27.39	157	5.24
4. Others:	Tonnes	431	6.75	114	13.81	381	14.52	431	6.75
	KL	0.17	0.10	0.17	0.11	0.31	0.18	0.17	0.10
			<u>17,33.19</u>		<u>12,83.53</u>		<u>11,88.10</u>		<u>17,33.19</u>
II. Trading Activity:									
1. Chemicals:	Tonnes	3	9.07	4	14.43	9	30.53	3	9.07
2. Others:		—	77.54	—	98.25	—	40.28	—	77.54
			<u>86.61</u>		<u>1,12.68</u>		<u>70.81</u>		<u>86.61</u>

9.5 Turnover:

		Current Year		Previous Year	
Class of Products:	Unit	Quantity	Amount (Rs. in lacs)	Quantity	Amount (Rs. in lacs)
I. Manufacturing Activity:					
1. Phosphorous and its Compounds:	Tonnes	14,044	143,29.14	9,085	137,00.34
2. Chemicals:	Tonnes	5,986	77,84.56	6,295	98,84.79
3. Organic Manure/Culture:	Tonnes	7,694	1,66.51	5,800	1,73.74
4. Others:	Tonnes	17,511	3,59.70	13,992	5,85.05
			<u>226,39.91</u>		<u>243,43.92</u>
II. Trading Activity:					
1. Chemicals:	Tonnes	70	3,49.70	51	2,74.66
2. Organic Manure:	Tonnes	1,175	20.74	1,936	32.51
3. Others:	Nos.	88	5,44.11	—	4,68.81
			<u>9,14.55</u>		<u>7,75.98</u>
TOTAL TURNOVER:			<u>235,54.46</u>		<u>251,19.90</u>

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES TO ACCOUNTS

9.6 Raw Materials Consumed (excluding captively produced and consumed):

Sr. No.	Item:	Unit	Current Year		Previous Year	
			Quantity	Amount (Rs. in lacs)	Quantity	Amount (Rs. in lacs)
1.	Inorganic Chemicals:					
	White Phosphorus:	Tonnes	3,281	47,02.13	2,306	63,17.02
	Others:	Tonnes	10,779	9,13.44	8,332	9,20.89
2.	Metal and Metal Powder:	Tonnes	60	47.22	192	1,44.46
3.	Minerals:	Tonnes	6,369	3,56.30	4,030	10,16.42
4.	Organic Chemicals:	Tonnes	2,472	19,71.61	2,846	21,06.88
		KL	6,223	15,28.40	4,039	9,08.96
5.	Others:	Tonnes	3,206	7,71.19	2,974	9,90.48
				102,90.29		124,05.11

9.7 Purchases of Traded Goods:

Sr. No.	Class of Products:	Unit	Current Year		Previous Year	
			Quantity	Amount (Rs. in lacs)	Quantity	Amount (Rs. in lacs)
1.	Chemicals:	Tonnes	71	2,22.34	46	1,85.00
2.	Organic Manure/Culture:	Tonnes	1,175	19.27	1,936	29.03
3.	Others:		101	2,80.46	—	2,81.35
				5,22.07		4,95.38

9.8 Consumption of Raw Materials, Components and Spare Parts:

		Current Year		Previous Year	
		(Rs. in lacs)	Percentage	(Rs. in lacs)	Percentage
1.	Raw Materials:				
	Imported:	54,96.44	53.41	74,46.66	60.03
	Indigenous:	47,93.85	46.59	49,58.45	39.97
		102,90.29	100.00	124,05.11	100.00
2.	Components and Spare Parts:				
	Imported:	Nil	—	Nil	—
	Indigenous:	Nil	—	Nil	—

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)		
NOTES TO ACCOUNTS		
	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
9.9 Value of Imports on C.I.F. basis:		
1. Raw Materials	62,02.15	70,21.31
2. Components and Spare Parts*	1.43	—
3. Capital Goods	39.40	25.75
4. Purchase of Traded Goods	1,99.03	1,36.08
*In giving the above information, the Company has taken the view that Components and Spare Parts as referred to in Clause 4-D(a) of Part II of Schedule VI cover only such items as go directly into production and those used as spares for repairs and maintenance of Plant and Machinery.		
9.10 Expenditure in Foreign Currency (on accrual basis):	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
(a) Interest	19.27	1,11.01
(b) Container Rental Charges	57.68	86.20
(c) Freight Outwards	66.62	81.37
(d) Travelling and Conveyance	30.59	30.40
(e) Discount on Sales	23.32	19.21
(f) Bank Charges	1.96	5.93
(g) Commission on Export Sales	8.58	0.48
(h) Export Product Registration	27.39	—
(i) Others	7.13	8.03
9.11 Earnings in Foreign Exchange (on accrual basis):		
(a) Exports of Goods on F.O.B. basis	53,77.11	65,26.04
(b) Commission	15.18	14.68
9.12 Remittance in Foreign Currency on account of Dividend:	Current Year	Previous Year
During the year, the Company has not remitted any amount in foreign currency on account of dividend. The details of dividend remitted in foreign currency, if any, by/on behalf of non-resident shareholders are not available with the Company. The details of dividend paid in respect of shares held by non-residents on repatriation basis are as under:		
(a) Number of Non-resident shareholders	114	118
(b) Number of Equity Shares held by them	56,459	57,897
(c) (i) Amount of dividend paid (Rs. in lacs)	0.28	0.58
(ii) Year to which dividend relates	2008-09	2007-08
10. Research and Development costs, as certified by the Management, debited to the Profit and Loss Account are as under:	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
(a) Revenue expenses debited to Research and Development Expenses Account and other heads of accounts	1,97.37	1,22.78
(b) Depreciation on Research and Development Equipment	41.35	37.95
	<u>2,38.72</u>	<u>1,60.73</u>
11. (Short)/Excess Accruals written back (Net) comprises of the following:	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
(1) Raw Materials	(2.01)	(0.72)
(2) Export Incentives	0.63	5.17
(3) Excise Duty	—	0.04
(4) Depreciation	9.60	0.46
(5) Personnel Expenses	(2.60)	(3.22)
(6) Discount	(0.77)	82.38
(7) Others	(0.60)	2.76
	<u>4.25</u>	<u>86.87</u>

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
NOTES TO ACCOUNTS			
12.	Break up of Deferred Tax Assets and Deferred Tax Liabilities:		
(a)	Deferred Tax Assets		
(i)	Liabilities Allowable on Payment basis	2,35.18	2,24.32
(ii)	Provision for Doubtful Debts/Advances	8.33	3,52.41
(iii)	Unabsorbed Depreciation	—	2,37.99
(iv)	Unabsorbed Capital Loss	36.80	7.88
(v)	Others	—	43.12
		<u>2,80.31</u>	<u>8,65.72</u>
(b)	Deferred Tax Liabilities		
(i)	Depreciation	17,48.57	18,84.94
		<u>17,48.57</u>	<u>18,84.94</u>
	DEFERRED TAX LIABILITY (NET)	14,68.26	10,19.22
<p>The Company has recognised deferred tax asset since the management believes that the reversal of the timing difference on account of depreciation would result in sufficient future taxable income against which the said deferred tax asset can be realised. Further, unabsorbed capital loss has been recognised since the Company is in process of completing the transfer of capital assets which will result in capital gains. (Also refer Note No. 8 above)</p>			
13.	Earning Per Share:	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
(1)	Profit after taxation	6,07.06	74.49
	Add/(Less): Prior Period Adjustments (Net)	1,89.53	(30.34)
	Profit attributable to Equity Shareholders (A)	<u>7,96.59</u>	<u>44.15</u>
		Nos.	Nos.
(2)	Weighted average number of Equity Shares outstanding (B)	10,905,630	10,905,630
		Rupees	Rupees
(3)	Earning per Share (A)/(B): (Basic and Diluted)	7.30	0.40
(4)	Nominal Value of Equity Share:	5.00	5.00
14.	Details of Employee Benefits – Gratuity:		
(i)	Defined Benefit Plans		
<p>The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on retirement at 15 days of last drawn salary for each completed year of service. If an employee completes more than 25 years of service then instead of 15 days, he/she will get gratuity on retirement at 22 days last drawn salary. The aforesaid liability is provided for on the basis of an actuarial valuation made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.</p>			
(a)	The amounts recognised in the statement of Profit and Loss Account are as follows:		
	Defined Benefit Plan	Current Year Gratuity (Rs. in lacs)	Previous Year Gratuity (Rs. in lacs)
	Current Service cost	79.11	63.98
	Interest cost on benefit obligation	1,07.10	85.75
	Expected return on plan assets	(97.52)	(78.46)
	Net actuarial (gain)/loss recognised during the year	<u>96.95</u>	<u>1,28.64</u>
	Amount included under the head personnel expenses in Schedule 'Q' Manufacturing and Other Expenses.	<u>1,85.64</u>	<u>1,99.91</u>
	Actual return on plan assets	<u>89.96</u>	<u>76.77</u>

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES TO ACCOUNTS

- (b) The amounts recognised in the Balance Sheet are as follows:

	As at 31st March, 2010 Defined Benefit Plan-Gratuity (Funded) (Rs. in lacs)	As at 31st March, 2009 Defined Benefit Plan-Gratuity (Funded) (Rs. in lacs)
Present value of funded obligation	15,11.46	12,98.21
Less: Fair value of plan assets	12,94.78	9,62.65
Net Liability included under the head Provision for Gratuity, in Schedule 'N' – Provisions	2,16.68	3,35.56

- (c) Changes in the present value of the defined benefit obligation:

	As at 31st March, 2010 Gratuity (Rs. in lacs)	As at 31st March, 2009 Gratuity (Rs. in lacs)
Opening defined benefit obligation	12,98.21	11,43.33
Interest cost	1,07.10	85.75
Current service cost	79.11	63.98
Benefits paid	(62.71)	(1,18.28)
Actuarial (gains)/loss on obligation	89.74	1,23.43
Closing defined benefit obligation	15,11.45	12,98.21

- (d) Changes in the fair value of plan assets are as follows:

	As at 31st March, 2010 Gratuity (Rs. in lacs)	As at 31st March, 2009 Gratuity (Rs. in lacs)
Opening fair value of plan assets	9,62.65	8,57.68
Expected return	97.52	78.46
Contributions made by employer during the year	3,04.54	1,50.00
Benefits paid	(62.71)	(1,18.28)
Actuarial gains/(loss)	(7.21)	(5.21)
Closing fair value of plan assets	12,94.79	9,62.65

- (e) Expected contribution to defined benefit plan for the year 2010-11

Gratuity (Rs. in lacs)	Gratuity (Rs. in lacs)
2,25.00	2,25.00

- (f) The major categories of plan assets as a percentage of fair value of total plan assets are as follows:

	Current Year	Previous Year
Insurer Managed Funds (Life Insurance Corporation of India)	83.55%	84.00%
Insurer Managed Funds (Aviva Life Insurance Company India Limited)	16.45%	16.00%
	100.00%	100.00%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in the expected rate of return on assets due to the improved stock market scenario.

- (g) The principal actuarial assumptions at the Balance Sheet date.

	Gratuity Current Year	Gratuity Previous Year
Discount rate	8.25%	7.5%
Expected rate of return on plan assets	9%	9%
Expected rate of salary increase	5%	5%
Mortality table	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
Proportion of employees opting for early retirement	5% to 1%	5% to 1%

Notes:

- The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The disclosure required under Para 120(n)(ii) of Accounting Standard 15 "Employee Benefits (Revised, 2003), pertaining to experience adjustments on plan assets and plan liabilities is not given on the ground that such information is not provided by the actuary.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES TO ACCOUNTS

(II) Defined Contribution Plans

- Provident Fund is a defined contribution scheme established under a State Plan.
- Superannuation Fund is a defined contribution scheme. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

Defined Contribution Plan

Provident Fund

Superannuation Fund

**Current Year
(Rs. in lacs)**

1,25.29

65.24

**Previous Year
(Rs. in lacs)**

1,78.93

59.38

15. Segment Information

1. Information About Primary Business Segments:

Particulars	Current Year (Rs. in lacs)			Previous Year (Rs. in lacs)		
	Chemicals	Environment	Total	Chemicals	Environment	Total
REVENUE:						
External Revenue:	231,64.76	8,27.03	239,91.79	238,28.79	7,82.13	246,10.92
Un-allocated revenue :			1,82.83			3,51.83
Total Revenue:			241,74.62			249,62.75
RESULT:						
Segment result:	28,23.32	1,26.41	29,49.73	24,98.41	5.98	25,04.39
Un-allocated expenditure net of un-allocated income:			9,03.16			14,36.27
Interest Expenses:			7,17.43			9,61.38
Profit before taxation but after prior period adjustments:			13,29.14			1,06.74
Provision for Taxation:						
Current			1,24.00			7.00
In respect of earlier year :			1,36.27			6.57
Minimum Alternative Tax Entitlement			(1,78.75)			(7.00)
Wealth Tax			2.00			2.00
Deferred			4,49.03			25.52
Fringe Benefit Tax			—			28.50
Profit/(Loss) after tax:			7,96.58			44.15
OTHER INFORMATION:						
Segment Assets:	193,68.42	9,34.05	203,02.47	193,78.88	8,57.65	202,36.53
Un-allocated Assets:			27,26.18			30,91.10
Total Assets:			230,28.65			233,27.63
Segment Liabilities:	(33,72.35)	(1,63.60)	(35,35.95)	(53,95.09)	(74.54)	(54,69.63)
Un-allocated Liabilities:			(92,77.21)			(81,84.76)
Total Liabilities:			(128,13.16)			(136,54.39)
Segment Capital expenditure:	6,76.34	15.29	6,91.63	8,25.30	27.05	8,52.35
Un-allocated Capital expenditure:			26.37			34.20
Segment Depreciation and Amortisation:	8,51.70	45.12	8,96.82	8,51.60	42.94	8,94.54
Un-allocated Depreciation and Amortisation:			96.14			1,08.37
Segment Non-cash expenses other than Depreciation and Amortisation:	5,88.08	4.38	5,92.46	1,20.47	—	1,20.47
Un-allocated Non-cash expenses other than Depreciation and Amortisation:			5.45			6,25.29

2. Information About Secondary Business Segments:

	Domestic	Exports	Total	Domestic	Exports	Total
Revenue:	186,97.39	54,77.23	241,74.62	183,20.77	66,41.98	249,62.75
Carrying amount of Assets:	221,81.08	8,47.57	230,28.65	214,90.30	18,37.33	233,27.63
Capital Expenditure:	7,18.00	—	7,18.00	8,86.55	—	8,86.55

3. Notes:

1. The Company is organised into two business segments namely:
 - (a) Chemicals — Comprising of Industrial and Specialty Chemicals and Pesticides Intermediates.
 - (b) Environment — Comprising of Soil enricher, Bio-pesticides and other Bio-products.
2. Segment Revenue in the above segments includes sales, export incentives, processing charges and other income from operations.
3. Segment Revenue in the geographical segments considered for disclosure are as follows:
 - (a) Revenue within India includes sales to customers located within India.
 - (b) Revenue outside India includes sales to customers located outside India.
4. Segment Revenue, Results, Assets and Liabilities includes the respective amounts identifiable to each of segments and amounts allocated on a reasonable basis.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

16. Related Party disclosures as required by Accounting Standard (AS) - 18 "Related Party Disclosures", notified by Companies (Accounting Standards) Rules, 2006 (as amended) are given below:

(a) Relationships:

1. Subsidiary Company:

Kamaljyot Investments Limited

2. Associate Company:

RomVijay Bioo Tech Private Limited

3. Joint Venture Company:

Wexsam Limited, Hong Kong

4. Enterprises over which Key Management Personnel and their relatives have significant influence:

Agrocel Industries Limited
Anshul Specialty Molecules Limited
C.C. Shroff Research Institute
C.C. Shroff Self Help Centre
Dipkanti Investments & Financing Private Limited
Excel Bio Resources Limited
Excel Crop Care Limited
Good Rasayan Limited
Hyderabad Chemical Supplies Limited
Hyderabad Chemical Products Limited
Mumukshu Finance & Services Private Limited
Parul Chemicals Limited
Pritami Investments Private Limited
Shrodip Investments Private Limited
TML Industries Limited (Formerly Transmetal Limited)
Transpek Industry Limited
Transpek-Silox Industry Limited
Transpek Industry (Europe) Limited
Utkarsh Chemicals Private Limited

5. Key Management Personnel and their Relatives:

(a) Key Management Personnel:

Shri G. Narayana
Shri Ashwin C. Shroff
Shri Dipesh K. Shroff
Shri Atul G. Shroff
Smt. Usha A. Shroff
Shri S. R. Potdar
Shri Ravi Ashwin Shroff

(b) Relatives:

Shri Kantisen C. Shroff
Smt. Shruti Atul Shroff
Kum. Vishwa Atul Shroff
Smt. Chetna Praful Saraiya
Shri Praful Manilal Saraiya
Smt. Hiral Tushar Dayal
Shri Tushar Charandas Dayal
Smt. Chanda Kantisen Shroff
Smt. Preeti Dipesh Shroff
Smt. Anshul Amrish Bhatia
Shri Hrishit Ashwin Shroff
Shri Dilip G. Bhatia
Shri Pradeep Ghattu

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

(b) The following transactions were carried out with the related parties in the course of business:

(Rs. in lacs)

Sr. No.	Nature of Transactions	Subsidiary Company	Associate Company	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Total
(1)	INCOME						
(a)	Sale of Goods (Net of Excise Duty)						
	Excel Crop Care Limited	— (—)	— (—)	24,54.57 (25,04.69)	— (—)	— (—)	24,54.57 (25,04.69)
	Others	— (—)	— (—)	333.54 (2,28.92)	— (—)	— (—)	333.54 (2,28.92)
	Total	— (—)	— (—)	27,88.11 (27,33.61)	— (—)	— (—)	27,88.11 (27,33.61)
(b)	Rent Received						
	Excel Crop Care Limited	— (—)	— (—)	38.40 (99.00)	— (—)	— (—)	38.40 (99.00)
	Total	— (—)	— (—)	38.40 (99.00)	— (—)	— (—)	38.40 (99.00)
(c)	Processing Charges						
	Excel Crop Care Limited	— (—)	— (—)	10,65.22 (9,20.19)	— (—)	— (—)	10,65.22 (9,20.19)
	Others	— (—)	— (—)	45.81 (—)	— (—)	— (—)	45.81 (—)
	Total	— (—)	— (—)	11,11.03 (9,20.19)	— (—)	— (—)	11,11.03 (9,20.19)
(d)	Royalty						
	Excel Crop Care Limited	— (—)	— (—)	72.50 (69.99)	— (—)	— (—)	72.50 (69.99)
	Total	— (—)	— (—)	72.50 (69.99)	— (—)	— (—)	72.50 (69.99)
(e)	Dividend Received						
	TML Industries Limited	— (—)	— (—)	13.33 (10.67)	— (—)	— (—)	13.33 (10.67)
	Transpek—Silox Industry Limited	— (—)	— (—)	1,04.61 (74.72)	— (—)	— (—)	1,04.61 (74.72)
	Others	— (—)	— (—)	5.17 (5.00)	— (—)	— (—)	5.17 (5.00)
	Total	— (—)	— (—)	1,23.11 (90.39)	— (—)	— (—)	1,23.11 (90.39)
(f)	Reimbursement of expense/salary incurred on behalf						
	Excel Crop Care Limited	— (—)	— (—)	26.68 (25.78)	— (—)	— (—)	26.68 (25.78)
	Total	— (—)	— (—)	26.68 (25.78)	— (—)	— (—)	26.68 (25.78)

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

(Rs. in lacs)

Sr. No.	Nature of Transactions	Subsidiary Company	Associate Company	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Total
(2)	EXPENSES						
(a)	Purchase of Goods/others						
	Excel Crop Care Limited	— (—)	— (—)	1,99.56 (2,39.80)	— (—)	— (—)	1,99.56 (2,39.80)
	Transpek Industry Limited	— (—)	— (—)	28.05 (—)	— (—)	— (—)	28.05 (—)
	Anshul Specialty Molecules Limited	— (—)	— (—)	— (87.41)	— (—)	— (—)	— (87.41)
	Others	— (—)	— (—)	7.76 (1.80)	— (—)	— (—)	7.76 (1.80)
	Total	— (—)	— (—)	2,35.37 (3,29.01)	— (—)	— (—)	2,35.37 (3,29.01)
(b)	Processing Charges						
	Good Rasayan Limited	— (—)	— (—)	39.64 (36.36)	— (—)	— (—)	39.64 (36.36)
	Total	— (—)	— (—)	39.64 (36.36)	— (—)	— (—)	39.64 (36.36)
(c)	Remuneration						
	Shri Ashwin C. Shroff	— (—)	— (—)	— (—)	25.96 (25.86)	— (—)	25.96 (25.86)
	Smt. Usha A. Shroff	— (—)	— (—)	— (—)	25.94 (25.86)	— (—)	25.94 (25.86)
	Shri S. R. Potdar	— (—)	— (—)	— (—)	36.69 (31.39)	— (—)	36.69 (31.39)
	Shri Pradeep Ghattu	— (—)	— (—)	— (—)	— (—)	9.35 (7.31)	9.35 (7.31)
	Total	— (—)	— (—)	— (—)	88.59 (83.11)	9.35 (7.31)	97.94 (90.42)
(d)	Directors' Sitting Fees						
	Dipesh K. Shroff	— (—)	— (—)	— (—)	0.45 (0.30)	— (—)	0.45 (0.30)
	Atul G. Shroff	— (—)	— (—)	— (—)	0.10 (0.15)	— (—)	0.10 (0.15)
	Total	— (—)	— (—)	— (—)	0.55 (0.45)	— (—)	0.55 (0.45)
(e)	Retirement Benefits						
	Shri K. C. Shroff	— (—)	— (—)	— (—)	— (—)	3.60 (3.60)	3.60 (3.60)
	Shri G. Narayana	— (—)	— (—)	— (—)	15.60 (16.26)	— (—)	15.60 (16.26)
	Total	— (—)	— (—)	— (—)	15.60 (16.26)	3.60 (3.60)	19.20 (19.86)
(f)	Reimbursement of expense/salary incurred on behalf						
	Transpek Industry (Europe) Limited	— (—)	— (—)	27.39 (—)	— (—)	— (—)	27.39 (—)
	Total	— (—)	— (—)	27.39 (—)	— (—)	— (—)	27.39 (—)
(g)	Rent Paid						
	Excel Crop Care Limited	— (—)	— (—)	20.04 (—)	— (—)	— (—)	20.04 (—)
	Total	— (—)	— (—)	20.04 (—)	— (—)	— (—)	20.04 (—)

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

(Rs. in lacs)

Sr. No.	Nature of Transactions	Subsidiary Company	Associate Company	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Total
3.	FINANCE/OTHERS						
(a)	Loans/Advance given						
	Kamaliyot Investments Limited	40.00 (56.00)	— (—)	— (—)	— (—)	— (—)	40.00 (56.00)
	Transpek Industry (Europe) Limited	— (—)	— (—)	34.65 (—)	— (—)	— (—)	34.65 (—)
	Total	40.00 (56.00)	— (—)	34.65 (—)	— (—)	— (—)	74.65 (56.00)
(b)	Dividend Paid						
	Ashwin C. Shroff	— (—)	— (—)	— (—)	0.42 (0.86)	— (—)	0.42 (0.86)
	Atul G. Shroff	— (—)	— (—)	— (—)	0.30 (0.59)	— (—)	0.30 (0.59)
	Kantisen C. Shroff	— (—)	— (—)	— (—)	— (—)	0.27 (0.53)	0.27 (0.53)
	Ravi A. Shroff	— (—)	— (—)	— (—)	0.24 (—)	— (0.56)	0.24 (0.56)
	Dilip G. Bhatia	— (—)	— (—)	— (—)	— (—)	0.52 (1.04)	0.52 (1.04)
	Anshul Specialty Molecules Limited	— (—)	— (—)	9.45 (18.90)	— (—)	— (—)	9.45 (18.90)
	Utkarsh Chemicals Private Limited	— (—)	— (—)	5.55 (10.34)	— (—)	— (—)	5.55 (10.34)
	Others	— (—)	— (—)	3.28 (6.59)	0.09 (0.17)	0.81 (1.54)	4.18 (8.30)
	Total	— (—)	— (—)	18.28 (35.83)	1.05 (1.62)	1.60 (3.67)	20.93 (41.12)
(c)	Sale of Fixed Assets						
	Excel Crop Care Limited	— (—)	— (—)	1.12 (2.94)	— (—)	— (—)	1.12 (2.94)
	Total	— (—)	— (—)	1.12 (2.94)	— (—)	— (—)	1.12 (2.94)
4.	OUTSTANDINGS AS AT THE BALANCE SHEET DATE						
(a)	Amounts Receivable/Recoverable in kind (Net)						
	Excel Crop Care Limited	— (—)	— (—)	11,91.33 (7,68.03)	— (—)	— (—)	11,91.33 (7,68.03)
	Others	— (—)	— (—)	48.71 (1,29.83)	— (—)	— (—)	48.71 (1,29.83)
	Total	— (—)	— (—)	12,40.04 (8,97.86)	— (—)	— (—)	12,40.04 (8,97.86)
(b)	Advance/Loans Recoverable						
	Kamaliyot Investments Limited	2,55.00 (2,15.00)	— (—)	— (—)	— (—)	— (—)	2,55.00 (2,15.00)
	Transpek Industry (Europe) Limited	— (—)	— (—)	7.26 (—)	— (—)	— (—)	7.26 (—)
	Total	2,55.00 (2,15.00)	— (—)	7.26 (—)	— (—)	— (—)	2,62.26 (2,15.00)

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

(Rs. in lacs)

Sr. No.	Nature of Transactions	Subsidiary Company	Associate Company	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Total
(c)	Amount Payable (Net)						
	Anshul Specialty Molecules Limited	— (—)	— (—)	— (3.51)	— (—)	— (—)	— (3.51)
	Good Rasayan Limited	— (—)	— (—)	18.67 (21.51)	— (—)	— (—)	18.67 (21.51)
	Transpek Industry Limited	— (—)	— (—)	13.48 (—)	— (—)	— (—)	13.48 (—)
	Agrocel Industries Limited	— (—)	— (—)	— (7.52)	— (—)	— (—)	— (7.52)
	Others	— (—)	— (—)	4.10 (0.12)	— (—)	— (—)	4.10 (0.12)
	Total	— (—)	— (—)	36.25 (32.66)	— (—)	— (—)	36.25 (32.66)

(Figures in brackets relate to the Previous Year)

17. Foreign exchange derivatives and exposures outstanding as at the Balance Sheet date:

Nature of Instrument	Currency	As at March 31, 2010 (in Rs. lacs)	As at March 31, 2010 Foreign Currency Value (in lacs)	As at March 31, 2009 (in Rs. lacs)	As at March 31, 2009 Foreign Currency Value (in lacs)
(a) Forward contract – Buy for Hedging Purpose					
(i) Loans	USD	7,70.71	16.64	4,32.94	8.57
(ii) Interest/Other Expenses	USD	2.92	0.06	9.91	0.19
(b) Un-hedged Foreign Currency Exposure on:					
(i) Payables	GBP	11.26	0.17	21.34	0.30
	USD	3,68.52	8.16	5,24.50	10.29
(ii) Receivables	EUR	92.09	1.52	1,34.24	1.99
	USD	7,26.20	16.09	16,84.08	33.09
	GBP	5.18	0.08	1.73	0.02
(iii) Loans taken	USD	—	—	9,09.38	17.84
(iv) Loans given	GBP	7.26	0.10	—	—
(v) Bank Balances	USD	16.84	0.37	19.01	0.37

18. Excise duty on sales amounting to **Rs 13,22.76 lacs** (Previous Year: Rs 20,00.78 lacs) has been reduced from sales in Profit & Loss Account and excise duty on increase/decrease in stocks amounting to **Rs 29.32 lacs** (Previous Year: Rs 41.15 lacs) has been considered as expense in Schedule 'Q'.

19. The Company has 33.33% interest in jointly controlled entity Wexsam Limited, Hong Kong. During the year, the Company has initiated discussion with other stakeholders for the closure of this Company. Since there were no activities in the said jointly controlled entity for the past two years, the financials are not available. Accordingly, the proportionate interest of the Company in the said jointly controlled entity has not been considered. Further, the Company has made provision for diminution in value of this investment amounting to Rs 27.26 lacs.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'— (Contd.)

NOTES TO ACCOUNTS

**As at March
31, 2010
(Rs. in lacs)**

20. Details of Loan given to Subsidiary Company:

Kamalijot Investments Limited

2,55.00

Balance as at 31st March, 2010

(Previous Year: Rs. 2,15.00 lacs)

Maximum amount outstanding during the year **Rs. 2,55.00 lacs** (Previous Year: Rs. 2,15.00 lacs)

There is no repayment schedule in respect of this loan.

21. Operating Leases

Office premises and godowns are obtained on operating leases for various tenors. Except for the Office premises, none of the operating leases are renewable. In respect of Office premises, the operating lease are renewable for further period of two years, with an escalation clause of 15% over the existing lease rent. There are no restrictions imposed by lease agreements / arrangements.

	2009-10 (Rs. in lacs)	2008-09 (Rs. in lacs)
(i) Lease payments for the year	30.36	18.83
(ii) Sub-lease payments received during the year	Nil	Nil
(iii) Minimum lease payments as at 31st March		
(a) Not later than one year	25.34	8.13
(b) Later than one year but not later than five years	68.50	14.52
(c) Later than five years	Nil	Nil

The company has leased out its office premises on operating leases for various tenors. There is no escalation clause in the lease agreements/arrangements. There are no restrictions imposed by lease agreements/arrangements.

	2009-10 (Rs. in lacs)	2008-09 (Rs. in lacs)
There are no uncollectible minimum lease payments receivable at the Balance Sheet date. (Previous Year: Nil)		
Future Minimum Lease payments		
(a) Not later than one year	38.40	91.80
(b) Later than one year but not later than five years	54.40	3,67.20
(c) Later than five years	Nil	Nil

22. Previous year's figures have been regrouped/rearranged where necessary to conform to this year's classification.

As per our report of even date

For S. R. BATLIBOI & CO.
Firm Registration No: 301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No. 36738

Place : Mumbai
Date: 21 May 2010

For and on behalf of the Board of Directors of Excel Industries Limited

A.C. SHROFF
Chairman and Managing Director

S.R. POTDAR
Executive Director

Place : Mumbai
Date: 21 May 2010

U.A. SHROFF
Executive Vice Chairperson

KAILAS DABHOLKAR
Vice President – Finance and Taxation

S. K. SINGHVI
Company Secretary

EXCEL INDUSTRIES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I.	Registration Details:		
(a)	Registration No.:		11807
(b)	State Code:		11
(c)	Balance Sheet Date:		31-03-2010
II.	Capital raised during the year:		(Rs. in Thousands)
	Public Issue	Rights Issue	
	Nil	Nil	
	Bonus Issue	Private Placement	
	Nil	Nil	
III.	Position of Mobilisation and Deployment of Funds:		(Rs. in Thousands)
(a)	Total Liabilities		1,769,480
(b)	Total Assets		1,769,480
(c)	Sources of Funds:		
(i)	Paid-up Capital		54,528
(ii)	Reserves and Surplus		967,021
(iii)	Secured Loans		341,800
(iv)	Unsecured Loans and Deferred Payment Liabilities		259,305
(v)	Deferred Tax Liability (Net)		146,826
(d)	Application of Funds:		
(i)	Net Fixed Assets		1,044,001
(ii)	Intangible Assets		8,552
(iii)	Investments		99,615
(iv)	Net Current Assets		617,312
(v)	Miscellaneous Expenditure		Nil
(vi)	Accumulated Losses		Nil
IV.	Performance of the Company:		
(a)	Turnover (Gross Revenue)		2,417,462
(b)	Total Expenditure		2,303,501
(c)	Profit Before Tax		113,961
(d)	Profit After Tax		60,706
(e)	Earning Per Share: (Rs.)		7.30
(f)	Dividend Rate %		40%
V.	Generic names of Three Principal Products:		
	I.T.C. Code	Name of the Product	
(i)	2920.90.90	DIETHYL THIO PHOSPHORYL CHLORIDE	
(ii)	2813.90.90	PHOSPHOROUS PENTASULPHIDE	
(iii)	2942.00.90	HYDROXY ETHYLENE DIPHOSPHONIC ACID	
<div> <div>A. C. SHROFF Chairman & Managing Director</div> <div>U. A. SHROFF Executive Vice Chairperson</div> <div>S. R. POTDAR Executive Director</div> <div>KAILAS DABHOLKAR Vice President-Finance and Taxation</div> <div>S. K. SINGHVI Company Secretary</div> </div> <div> Place : Mumbai, Date : 21 May 2010 </div>			

EXCEL INDUSTRIES LIMITED

AUDITORS' REPORT

TO,
THE BOARD OF DIRECTORS,
EXCEL INDUSTRIES LIMITED

1. We have audited the attached consolidated balance sheet of Excel Industries Limited ('the Company') and its subsidiary and the joint venture (together referred to as 'the Group'), as at 31 March 2010, and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. *The effect of investment in associate company, RomVijay Bioo Tech Private Limited on the financial position and operating results of the Group has not been considered in the consolidated financial statements (Refer Note no. 1(d) and 6 in Schedule 'T'). We are unable to comment on the impact of the non-inclusion of effect of investment in associate company on the financial statement and operating results of the group. Our audit report on the consolidated financial statement for the year ended 31 March 2009 was qualified in respect of effect of investment in associate company on the financial statement and operating results of the group.*
4. We report that *except for the matter detailed in paragraph 3 above, the effect of which on the consolidated financial statements is not ascertainable*, the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards ('AS') 21, Consolidated Financial Statements, AS 23, Accounting for Investments in Associates in Consolidated Financial Statements and AS 27, Financial Reporting of Interests in Joint Ventures, notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).
5. *Subject to the matter stated in paragraph 3 above, the effect of which on the consolidated financial statements is not ascertainable*, based on our audit and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2010;
 - (b) in the case of the consolidated profit and loss account, of the profit for the year ended on that date; and
 - (c) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

For S. R. BATLIBOI & CO.

Firm registration number: 301003E

Chartered Accountants

per VIJAY MANIAR

Partner

Membership No. 36738

Place: Mumbai,

Date : 21 May 2010

EXCEL INDUSTRIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	(Rs. in lacs)	As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS:				
(a) Share Capital	'A'	5,45.28		5,45.28
(b) Reserves and Surplus	'B'	96,91.70		91,87.22
			102,36.98	97,32.50
2. LOAN FUNDS:				
(a) Secured Loans	'C'	34,18.00		47,84.75
(b) Unsecured Loans	'D'	25,93.05		27,38.75
			60,11.05	75,23.50
3. DEFERRED TAX LIABILITY (NET) (Refer Note No. 16 of Schedule 'T').			14,68.31	10,19.29
TOTAL			177,16.34	182,75.29
APPLICATION OF FUNDS				
1. FIXED ASSETS:	'E'			
(a) Gross Block		215,10.35		214,76.56
(b) Less: Depreciation		114,13.06		109,45.93
(c) Net Block		100,97.29		105,30.63
(d) Capital Work-in-Progress including capital advances		3,44.87		1,22.06
			104,42.16	106,52.69
2. INTANGIBLE ASSETS	'F'		85.52	1,32.11
3. INVESTMENTS	'G'		12,12.96	12,55.38
4. CURRENT ASSETS, LOANS AND ADVANCES :				
(a) Interest accrued and due		—		1.51
(b) Inventories	'H'	33,81.71		36,18.27
(c) Sundry Debtors	'I'	56,36.90		55,55.91
(d) Cash and Bank Balances	'J'	2,80.87		1,88.94
(e) Other Current Assets	'K'	2,98.66		4,03.58
(f) Loans and Advances	'L'	17,12.18		15,97.49
		113,10.32		113,65.70
LESS: CURRENT LIABILITIES AND PROVISIONS :				
(a) Liabilities	'M'	38,92.64		40,20.13
(b) Provisions	'N'	14,41.98		11,10.46
		53,34.62		51,30.59
NET CURRENT ASSETS			59,75.70	62,35.11
TOTAL			177,16.34	182,75.29
NOTES ON ACCOUNTS	'T'			

The schedules referred to above and notes to accounts form an integral part of the consolidated Balance Sheet.

As per our report of even date

For S. R. BATLIBOI & CO.
Firm Registration No: 301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No. 36738

Place : Mumbai
Date : 21 May 2010

For and on behalf of the Board of Directors of
Excel Industries Limited

A. C. SHROFF
Chairman and Managing Director

S. R. POTDAR
Executive Director

Place : Mumbai
Date : 21 May 2010

U. A. SHROFF
Executive Vice Chairperson

KAILAS DABHOLKAR
*Vice President- Finance
and Taxation*

S. K. SINGHVI
Company Secretary

EXCEL INDUSTRIES LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
INCOME				
Sale of Products (Gross)		235,54.46		251,19.90
Less : Excise Duty		13,22.76		20,00.78
Sale of Products (Net)			222,31.70	231,19.12
Processing Charges			13,07.21	9,63.29
Other Income from Operations	'O'		4,34.26	6,40.80
Other Income	'P'		2,14.69	2,47.19
			241,87.86	249,70.40
EXPENDITURE				
Manufacturing and Other Expenses	'Q'	208,16.64		232,71.84
(Increase)/Decrease in Stocks	'R'	5,49.13		(3,71.10)
Depreciation/Amortisation		9,93.04		10,02.99
Interest	'S'	7,17.43		9,61.38
			230,76.24	248,65.11
PROFIT BEFORE TAXATION			11,11.62	1,05.29
Less: Provision for Taxation:				
Current Tax		1,25.00		7.40
In respect of Earlier Years		1,36.27		6.57
Minimum Alternative Tax Entitlement [including Rs. 96.75 lacs (Previous Year: Nil) in respect of earlier years]		(1,78.75)		(7.00)
Wealth tax		2.00		2.00
Deferred Tax		4,49.01		25.52
Fringe Benefit Tax		—		28.50
			5,33.53	62.99
PROFIT AFTER TAXATION BUT BEFORE PRIOR PERIOD ADJUSTMENTS			5,78.09	42.30
Add/(Less):				
(a) Prior Period Adjustments (Net)		1,89.53		(30.34)
(b) Share of Loss in Associate Company		0.59		(0.59)
			1,90.12	(30.93)
NET PROFIT			7,68.21	11.37
Balance brought forward from previous year		11,22.65		12,69.25
Less: Reduction in Reserves on non-consideration of proportionate interest in Joint Venture		—		5.83
			11,22.65	12,75.08
PROFIT AVAILABLE FOR APPROPRIATION			18,90.86	12,86.45
Less : Appropriations				
(a) Proposed Dividend		2,18.11		54.53
(b) Tax on Distributed Profits		36.23		9.27
(c) Transfer to General Reserve		3,00.00		1,00.00
			5,54.34	1,63.80
Surplus carried to Balance Sheet			13,36.52	11,22.65
			Rupees	Rupees
EARNINGS PER SHARE				
Consolidated Basic and Diluted Earnings Per Share (Refer Note No. 11 in Schedule 'T')			7.04	0.10
Face Value per share (Rs)			5.00	5.00
NOTES ON ACCOUNTS	'T'			

The schedules referred to above and notes to accounts form an integral part of the consolidated Profit and Loss Account.

As per our report of even date

For S. R. BATLIBOI & CO.
Firm Registration No: 301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No. 36738

Place : Mumbai
Date : 21 May 2010

For and on behalf of the Board of Directors of
Excel Industries Limited

A. C. SHROFF
Chairman and Managing Director

S. R. POTDAR
Executive Director

Place : Mumbai
Date : 21 May 2010

U. A. SHROFF
Executive Vice Chairperson

KAILAS DABHOLKAR
*Vice President- Finance
and Taxation*

S. K. SINGHVI
Company Secretary

EXCEL INDUSTRIES LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2010

	(Rs. in lacs)	For the year ended 31st March, 2010 (Rs. in lacs)	(Rs. in lacs)	For the year ended 31st March, 2009 (Rs. in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and Extraordinary Items		11,11.62		1,05.29
Adjustments for :				
Depreciation/Amortisation of Intangible Assets	9,93.04		10,02.99	
Bad Debts/Sundry Debit Balances Written Off (net)	91.81		—	
Loss/(Profit) on sale of Fixed Assets	(1.56)		19.00	
Loss/(Profit) on sale of Long Term Investments	4.81		63.97	
Contribution/Provision for Gratuity/Leave Encashment	3,60.56		3,72.86	
Assets written off	5,01.26		20.47	
Investments written off	1.34		—	
Provision for Doubtful Debts/Advances	3.50		6,61.32	
Sundry Credit Balances written back	(0.50)		(23.13)	
Provision for Diminution in value of long-term investments (Net)	35.15		65.49	
Provision for Diminution in value of investments written back	—		(63.97)	
Interest received	(26.13)		(19.14)	
Dividend Received	(1,44.77)		(1,22.13)	
Manufacturing Expenses Capitalised	(2,68.65)		(69.87)	
Interest paid	7,17.43		9,61.38	
Exchange Difference relating to Investing/Financing activities	55.56		(1,62.28)	
Exchange Difference relating to Foreign Currency Translation Reserve	—		(2.78)	
Reduction in Reserves on non-consideration of interest in Joint Venture	—		5.83	
Share of Loss in Associate Company	—		0.59	
Excess Provision for depreciation	(9.85)		(0.46)	
Short Provision for depreciation	0.25		—	
Short /(Excess) Provision for other items (Net)	5.35		(86.41)	
		23,18.60		26,23.73
Operating Profit before working capital changes		34,30.22		27,29.02
Adjustments for:				
Trade and other receivables & Loans & Advances	1.92		9,59.51	
Inventories	2,36.56		(3,59.96)	
Trade Payables & other liabilities	(7,77.84)		(11,16.63)	
		(5,39.36)		(5,17.08)
Cash generated from Operations		28,90.86		22,11.94
Interest paid	7,28.53		9,29.75	
Direct taxes paid	1,22.30		1,12.51	
		8,50.83		10,42.26
Cash flow before extraordinary items		20,40.03		11,69.68
Prior Period Adjustments (Other than Taxation)		1,89.53		(30.34)
Net cash from Operating Activities (A)		22,29.56		11,39.34

EXCEL INDUSTRIES LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2010 (Contd.)

CONSOLIDATED CASH FLOW STATEMENT (Contd.)		For the year ended 31st March, 2010 (Rs. in lacs)	For the year ended 31st March, 2009 (Rs. in lacs)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(6,72.16)	(6,18.20)
Sale of fixed assets		14.79	34.27
Purchase of Investments		(71.29)	(88.05)
Sale of Investments		63.61	2,05.79
Sundry Loans returned/(given)		(7.98)	(1.52)
Interest received		26.38	33.02
Dividend received		1,44.77	1,22.13
Net Cash used in Investing Activities	(B)	(5,01.88)	(3,12.56)
C. CASH FLOW FROM FINANCIAL ACTIVITIES			
Proceeds from borrowings		16,25.40	43,73.42
Repayment of borrowings		(31,93.41)	(40,46.49)
Dividend Paid		(58.47)	(1,10.18)
Tax on distributed Profits		(9.27)	(18.54)
Net cash used Financing Activities	(C)	(16,35.75)	1,98.21
Net increase in cash and cash equivalents	(A+B+C)	91.93	10,24.99
Cash and cash equivalents at the beginning of the year		1,88.94	1,56.01
Cash and cash equivalents at the end of the year		2,80.87	1,88.94
Components of Cash and Cash Equivalents:			
1. Cash on hand		—	0.27
2. Bank Balances in India:			
With Scheduled Banks:			
(i) In Unclaimed Dividend Accounts *		7.39	11.33
(ii) In Current Accounts		88.75	1,02.19
(iii) In Fixed Deposits Accounts		73.00	73.00
(iv) In Margin Money Accounts		1,11.73	2.15
		2,80.87	1,88.94
Note:			
* These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.			
As per our attached report of even date		For and on behalf of the Board of Directors of Excel Industries Limited	
For S. R. BATLIBOI & CO. Firm Registration No: 301003E Chartered Accountants		A. C. SHROFF Chairman and Managing Director	
per Vijay Maniar Partner Membership No. 36738		U. A. SHROFF Executive Vice Chairperson	
Place : Mumbai Date : 21 May 2010		S. R. POTDAR Executive Director	
		KAILAS DABHOLKAR Vice President- Finance and Taxation	
		S. K. SINGHVI Company Secretary	
		Place : Mumbai Date : 21 May 2010	

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 'A'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
SHARE CAPITAL			
Authorised :			
3,80,00,000	(Previous Year: 3,80,00,000) Equity Shares of Rs 5 each	19,00.00	19,00.00
8,50,000	(Previous Year: 8,50,000) 11% Cumulative Redeemable Preference Shares of Rs 10 each	85.00	85.00
3,00,000	(Previous Year: 3,00,000) Unclassified Shares of Rs 5 each	15.00	15.00
		20,00.00	20,00.00
Issued, Subscribed and Paid -up :			
1,09,05,630	(Previous Year: 1,09,05,630) Equity Shares of Rs 5 each fully paid-up	5,45.28	5,45.28
	TOTAL	5,45.28	5,45.28
SCHEDULE 'B'			
RESERVES AND SURPLUS			
	(Rs. in lacs)	As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
1.	Capital Reserve:		
(a)	Profit on repurchase of Debentures	0.01	0.01
(b)	Capital Redemption Reserve	0.02	0.02
(c)	Government Grants/Subsidies	70.00	70.00
		70.03	70.03
2.	Securities Premium Account	1,81.08	1,81.08
3.	General Reserve :		
	Balance as per last Balance Sheet	78,04.07	77,04.07
	Add: Transferred from Profit and Loss Account	3,00.00	1,00.00
		81,04.07	78,04.07
4.	Foreign Currency Translation Reserve Account		
	Balance as per last Balance Sheet	—	(2.78)
	Less: Reduction in Reserves on non-consideration of Joint Venture	—	(2.78)
		—	—
5.	Share of Retained Earnings in Associate Company :		
	Balance as per last Balance Sheet	9.39	9.39
	Less: Reduction in Reserves on Cessation of Associate Company	9.39	—
		—	9.39
6.	Profit and Loss Account	13,36.52	11,22.65
	TOTAL	96,91.70	91,87.22

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 'C'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
SECURED LOANS			
1. From Banks:			
(a) On Working Capital Demand Loan Accounts	9,99.97		9,99.97
(b) On Cash Credit Accounts	23,31.83		28,68.72
(c) On Term Loan Accounts	62.50		8,87.50
(d) Under Vehicle Finance	1.31		5.46
		33,95.61	47,61.65
(Refer Note Nos. 1, 2, 3 and 4 given below)			
2. From Others:			
(a) Under Vehicle Finance	22.39		23.10
(Refer Note No. 2 given below)			
TOTAL		34,18.00	47,84.75
Notes:			
1. Loans from Banks on Cash Credit and Working Capital Demand Loan Accounts are secured by hypothecation of all tangible movable assets, both present and future, including stock of raw materials, finished goods, goods-in-process, stores, book debts etc. and is secured by a second charge on the fixed assets at Roha and Lote Parshuram.			
2. Term Loan under Vehicle Finance from HDFC Bank Limited amounting to Rs. 1.31 lacs (Previous Year: Rs. 5.46 lacs) and from Kotak Mahindra Prime Limited amounting to Rs. 22.39 lacs (Previous Year: Rs. 23.10 lacs) respectively are secured by hypothecation of the vehicles acquired by utilising the said loans.			
3. Term Loans from Bank of India amounting to Rs. 62.50 lacs (Previous Year: Rs. 3,12.50 lacs) is secured by first charge on all movable fixed assets, both present and future, of its units situated at Roha and Lote Parshuram and is further secured by mortgage by immovable properties, both present and future, of its units situated at Roha and Lote Parshuram.			
4. The aforesaid charges are exclusive of book debts and stocks which are charged in favour of the Company's bankers for securing borrowings for working capital requirements.			
SCHEDULE 'D'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
UNSECURED LOANS			
1. Fixed Deposits		17,91.82	9,67.65
[Due within one year : Rs. 2,36.07 lacs (Previous Year: Rs 4,70.98 lacs)]			
2. Short Term Loans			
(a) From Banks	7,51.23		13,46.10
[Due within one year : Rs. 7,51.23 lacs (Previous Year: Rs 13,46.10 lacs)]			
(b) Inter Corporate Deposits	50.00		4,25.00
[Due within one year : Rs. 50.00 lacs (Previous Year: Rs 4,25.00 lacs)]		8,01.23	17,71.10
TOTAL		25,93.05	27,38.75

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 'E'

FIXED ASSETS

(Rs.in lacs)

Sr. No.	Description of Assets	GROSS BLOCK (AT COST OR VALUATION)				DEPRECIATION/AMORTISATION				NET BLOCK	
		As on 1st April, 2009	Additions during the year	Deductions during the year	As on 31st March, 2010	As on 1st April, 2009	Deductions/ Adjustments	Provided during the year	As on 31st March, 2010	As on 31st March, 2010	As on 31st March, 2009
I	LAND-FREEHOLD	1,48.98	23.93	—	1,72.91	—	—	—	—	1,72.91	1,48.98
II	LAND-LEASEHOLD (***)	2,84.71	—	—	2,84.71	37.97	—	4.53 *	42.50	2,42.21	2,46.74
III	LEASE HOLD IMPROVEMENTS	—	23.43	—	23.43	—	—	3.55	3.55	19.88	—
IV	BUILDINGS (Refer Note No. 2 below)	21,90.14	25.93	4.11	22,11.96	6,01.07	2.49	56.85	6,55.43	15,56.53	15,89.07
V	PLANT AND MACHINERY	163,16.53	5,56.51	5,53.39	163,19.65	84,28.93	3,74.77 @	7,42.01 **	87,96.17	75,23.48	78,87.60
VI	DATA PROCESSING EQUIPMENTS	8,37.92	42.44	28.42	8,51.94	6,50.65	35.62	54.52	6,69.55	1,82.39	1,87.27
VII	ELECTRICAL INSTALLATIONS	4,93.91	—	5.56	4,88.35	3,12.96	4.01	25.36	3,34.31	1,54.04	1,80.95
VIII	LABORATORY EQUIPMENTS	2,38.94	—	8.06	2,30.88	2,19.76	7.17 @	5.04	2,17.63	13.25	19.18
IX	FURNITURE, FIXTURES AND OFFICE EQUIPMENTS	6,95.84	9.94	51.32	6,54.46	5,12.85	29.66 @	27.81 **	5,11.00	1,43.46	1,82.99
X	VEHICLES	2,61.95	35.37	33.35	2,63.97	1,76.64	25.85 @	26.55 **	1,77.34	86.63	85.31
XI	TECHNICAL BOOKS	7.64	0.45	—	8.09	5.10	—	0.48	5.58	2.51	2.54
	TOTAL	214,76.56	7,18.00	6,84.21	215,10.35	109,45.93	4,79.57 @	9,46.70	114,13.06	100,97.29	105,30.63
	PREVIOUS YEAR :	207,24.21	8,86.55	1,34.19	214,76.56	100,66.49	76.96 @	9,56.40 **	109,45.93	3,44.87	1,22.06
	CAPITAL WORK-IN-PROGRESS (Refer Note No. 3 below)									104,42.16	106,52.69
									TOTAL		

NOTES:

- * Amount written off in respect of Leasehold Land
- Buildings include cost of shares in Co-operative Housing Societies **Rs. 0.01 lac** (Previous Year: Rs 0.01 lac).
- Capital Work-in -Progress includes Advance for Capital Expenditure **Rs. 1,19.24 lacs** (Previous Year: Rs 1,06.36 lacs).
- ** Includes Short Provision for Depreciation for earlier years **Rs. 0.25 lac** (Previous Year: Nil).
- @ Includes Excess Provision for Depreciation for earlier years written back **Rs. 9.85 lacs** (Previous Year: Rs 0.46 lac).
- Also Refer Note No. 5 of Schedule 'I' and in respect of revaluation of assets situated at Roha.
- Buildings includes Buildings given on operating lease:
Gross Book Value **Rs. 1,40.92 lacs** (Previous Year: Rs 1,40.74 lacs)
Accumulated depreciation **Rs. 75.45 lacs** (Previous Year: Rs 73.47 lacs)
Depreciation for the year **Rs. 1.92 lacs** (Previous Year: Rs 1.97 lacs)
Net Block **Rs. 63.55 lacs** (Previous Year: Rs 65.30 lacs)
- *** Includes **Rs. 2 lacs** (Previous Year: Rs 2 lacs) being 50% share of interest in joint venture.

SCHEDULE 'F'

INTANGIBLE ASSETS

(Rs. in lacs)

SR. NO.	DESCRIPTION OF INTANGIBLE ASSETS	GROSS AMOUNT				AMORTISATION				NET AMOUNT	
		As on 1st April, 2009	Additions during the year	Deductions during the year	Foreign Exchange Adjustment	As at 31st March, 2010	As on 1st April, 2009	Deductions/ Adjustments	Provided during the year	Foreign Exchange Adjustment	Upto 31st March, 2010
1	Computer Software	1,86.34	—	—	—	1,86.34	54.23	—	46.59	—	1,00.82
2	Trademarks	7.00	—	—	—	7.00	7.00	—	—	—	7.00
	TOTAL	1,93.34	—	—	—	1,93.34	61.23	—	46.59	—	1,07.82
	PREVIOUS YEAR	2,13.40	—	20.06	—	1,93.34	18.65	4.01	46.59	—	61.23

SCHEDULE 'G'

INVESTMENTS (AT COST)

(Rs. in lacs)

As at 31st March, 2010
(Rs. in lacs)

As at 31st March, 2009
(Rs. in lacs)

LONG-TERM

1. IN GOVERNMENT SECURITIES (Unquoted)

—

1.34

2. IN SHARES:

(a) Quoted

7,41.25

6,78.80

(b) Unquoted

2,12.26

7.25

9,53.51

6,86.05

3. IN ASSOCIATE COMPANIES

Unquoted

85.01

2,71.55

[Includes goodwill of **Rs. 54.30 lacs** (Previous Year: Rs. 54.30 lacs)]

4. OTHER INVESTMENTS:

Unquoted

2,94.92

3,81.76

13,33.44

13,40.70

Less: Provision for Diminution in value of Investments

1,20.48

85.32

TOTAL

12,12.96

12,55.38

Notes:

- Aggregate of Quoted Investments:
Cost (Net of provision for diminution)
Market Value
- Aggregate of Unquoted Investments:
Cost

6,20.77

5,93.48

16,50.30

11,90.81

5,92.19

6,61.90

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 'H'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
INVENTORIES	(Rs. in lacs)		
(Lower of cost or net realisable value)			
1. Stores and Spares (including Fuel)		2,85.91	3,09.42
2. Containers		83.28	71.82
3. Stock-in-Trade :			
(a) Finished Products	12,83.53		17,33.19
(b) Semi-finished Products	2,36.20		3,61.74
(c) Traded Goods	1,12.68		86.61
(d) Raw Materials [Including Stock-in-Transit Rs. 9,00.00 lacs (Previous Year: Rs 1,58.95 lacs)]	13,80.11		10,55.49
		30,12.52	32,37.03
TOTAL		33,81.71	36,18.27
SCHEDULE 'I'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
SUNDRY DEBTORS	(Rs. in lacs)		
Unsecured			
(a) Debts outstanding for a period exceeding six months :			
Considered Good	2,02.87		8,87.16
Considered Doubtful	—		10,15.81
	2,02.87		19,02.97
Less: Provision for Doubtful Debts	—		10,15.81
		2,02.87	8,87.16
(b) Other Debts			
Considered Good		54,34.03	46,68.75
TOTAL		56,36.90	55,55.91
SCHEDULE 'J'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
CASH AND BANK BALANCES	(Rs. in lacs)		
1. Cash on hand		—	0.27
2. Bank Balances in India:			
With Scheduled Banks:			
(i) In Unclaimed Dividend Accounts	7.39		11.33
(ii) In Current Accounts(*)	88.75		1,02.19
(iii) In Fixed Deposit Accounts	73.00		73.00
(iv) In Margin Money Accounts	1,11.73		2.15
		2,80.87	1,88.67
TOTAL		2,80.87	1,88.94
* Includes Rs. 0.01 lac (Previous Year Rs. 0.02 lac) being 50% share of interest in Joint Venture			
SCHEDULE 'K'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
OTHER CURRENT ASSETS			
1. Interest Receivable		5.84	4.58
2. Export Benefits Receivable		1,94.27	2,99.40
3. Income Tax Refund receivable		85.94	85.94
4. Miscellaneous Receivables		5.18	5.59
5. Share Application Money		—	6.31
6. Unamortised Premium on Forward Contract		7.43	1.76
TOTAL		2,98.66	4,03.58

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 'L'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
LOANS AND ADVANCES		(Rs. in lacs)	
Unsecured and Considered Good unless otherwise stated			
1. Advances recoverable in cash or in kind or for value to be received(*)			
Considered Good	10,06.30		8,02.92
Considered Doubtful	24.50		21.00
	10,30.80		8,23.92
Less: Provision for Doubtful Advances	24.50		21.00
		10,06.30	8,02.92
2. Sundry Loans	31.50		23.52
3. Minimum Alternative Tax Credit Entitlement	2,62.75		84.00
4. Balance with Excise Authorities	2,38.83		5,28.95
5. Sundry Deposits	1,59.55		1,52.20
6. VAT Credit (Input) Receivable	12.28		5.90
7. Advance Taxation [Net of Provision Rs 2.60 lacs (Previous Year: Rs 1.60 lacs)]	0.89		—
8. Prepaid Expenses	0.08		—
TOTAL	17,12.18		15,97.49
* Includes Rs 0.30 lac (Previous Year: Rs 0.30 lac) being 50% share of interest in Partnership Firm.			

SCHEDULE 'M'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
CURRENT LIABILITIES		(Rs. in lacs)	
1. Acceptances		3,05.94	2,01.25
2. Sundry Creditors		25,94.92	31,94.61
3. Other Liabilities		4,00.29	1,23.74
4. Other Payables		2,69.58	2,38.30
5. Advances from Customers		1,57.54	90.69
6. Overdrawn Bank Balances		58.85	—
7. Investor Education and Protection Fund shall be credited by the following amounts, as and when due:			
(a) Unclaimed Dividend	7.16		11.10
(b) Unclaimed Matured Deposits	16.66		9.10
		23.82	20.20
8. Sundry Deposits		40.16	78.70
9. Interest accrued but not due on Loans		41.54	52.64
10. Advance against Proposed Sale of Shares		—	20.00
TOTAL		38,92.64	40,20.13

SCHEDULE 'N'		As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
PROVISIONS			
1. Provision for Taxation [net of advance tax Rs. 21,69.93 lacs (Previous Year: Rs. 16,98.92 lacs)]		4,97.26	3,56.30
2. Provision for Fringe Benefit Tax [net of advance tax Rs. 84.95 lacs (Previous Year: Rs 84.95 lacs)]		4.55	4.55
3. Proposed Dividend on Equity Shares		2,18.11	54.53
4. Provision for Tax on Distributed Profits		36.23	9.27
5. Provision for Gratuity (Refer Note No. 12 of Schedule 'T')		2,16.67	3,35.56
6. Provision for Other Retirement benefits		4,69.16	3,50.25
TOTAL		14,41.98	11,10.46

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'O'	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
OTHER INCOME FROM OPERATIONS		
1. Incentives on Exports	1,56.18	1,82.07
2. Sales Tax/VAT Refund	8.95	41.07
3. Diminution in the value of long-term investment written back	—	63.97
4. (Short)/Excess Accruals written back (Net)	4.25	86.87
5. Commission Received [Tax deducted at source: Nil (Previous Year: Nil)]	15.18	15.09
6. Royalty Income [Tax deducted at source: Rs 8.00 lacs (Previous Year: Rs 8.74 lacs)]	72.50	69.99
7. Sundry Credit Balances written back (Net)	0.50	23.13
8. Miscellaneous Income	1,76.70	1,58.61
TOTAL	<u>4,34.26</u>	<u>6,40.80</u>

SCHEDULE 'P'	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
OTHER INCOME		
1. Income from Long-Term Investments (Gross) [Tax deducted at source: Nil (Previous Year: Nil)]	1,44.77	1,24.44
2. Interest on Income Tax Refund	—	3.72
3. Interest on Loans, Deposits, etc. (Gross) [Tax deducted at source: Rs. 2.82 lacs (Previous Year: Rs. 1.15 lacs)]	26.13	13.11
4. Rent [Tax deducted at source: Rs. 4.29 lacs (Previous Year: Rs. 24.63 lacs)]	43.79	1,05.92
TOTAL	<u>2,14.69</u>	<u>2,47.19</u>

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	(Rs. in lacs)	(Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
SCHEDULE 'Q'				
MANUFACTURING AND OTHER EXPENSES				
1. RAW MATERIALS CONSUMED :				
Opening Stock		10,55.49		11,28.06
Add: Purchases		106,14.91		123,32.54
		116,70.40		134,60.60
Less: Closing Stock		13,80.11		10,55.49
			102,90.29	124,05.11
2. PURCHASES OF TRADED GOODS			5,22.07	4,95.38
3. CONTAINERS AND PACKING MATERIALS CONSUMED			6,65.16	5,70.14
4. PERSONNEL EXPENSES :				
(a) Salaries, Wages, Bonus and Other Benefits		25,25.40		24,30.64
(b) Contribution to Provident Fund and Other Funds		2,58.42		2,42.90
(c) Provision /Payment of Gratuity (Refer Note No 12 of Schedule 'T')		1,85.64		1,99.91
(d) Provision for Other Retirement Benefits		1,74.92		1,72.95
(e) Welfare Expenses		1,94.05		2,12.19
			33,38.43	32,58.59
5. OPERATING AND OTHER EXPENSES :				
(a) Stores and Spares Consumed		46.53		1,81.05
(b) Power and Fuel		18,64.99		16,38.77
(c) Repairs to Buildings		38.75		24.39
(d) Repairs to Machinery		6,90.74		6,89.80
(e) Other Repairs		82.23		81.39
(f) Processing Charges		1,52.50		3,50.94
(g) Rent		31.38		18.83
(h) Rates and Taxes		64.24		54.23
(i) Insurance Charges		37.55		48.05
(j) Commission on Sales to other than sole selling agents		87.97		88.32
(k) Discount on Sales		24.19		21.88
(l) Travelling and Conveyance		1,25.91		1,22.02
(m) Charity and Donations		15.23		7.01
(n) Bad Debts/Sundry Debit Balances written off		11,07.62		—
Less: Provision for doubtful debts written back		(10,15.81)		—
		91.81		—
(o) Provision for Doubtful Debts/Advances		3.50		6,61.32
(p) Loss on sale of Long Term Investments		4.81		63.97
(q) Assets written off		5,02.55		20.47
(r) Excise Duty Paid		29.32		41.15
(s) Exchange Difference (Net)		45.27		2,51.37
(t) Provision for Diminution in value of Long-term Investments		35.15		65.49
(u) Freight Outwards and Forwarding Expenses		5,28.49		6,32.21
(v) Director's Fees		3.20		3.60
(w) Loss on sale of Assets (Net)		0.17		60.78
(x) Other Expenses		14,94.21		14,15.58
			60,00.69	65,42.62
TOTAL			208,16.64	232,71.84

EXCEL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'R'		Current Year	Previous Year
(INCREASE)/DECREASE IN STOCKS		(Rs. in lacs)	(Rs. in lacs)
(a) Opening Stock :			
Finished Products	17,33.19		11,88.10
Semi-finished Products	3,61.74		5,51.53
Traded Goods	86.61		70.81
		21,81.54	18,10.44
(b) Less: Closing Stock:			
Finished Products	12,83.53		17,33.19
Semi-finished Products	2,36.20		3,61.74
Traded Goods	1,12.68		86.61
		16,32.41	21,81.54
		5,49.13	(3,71.10)
SCHEDULE 'S'		Current Year	Previous Year
INTEREST		(Rs. in lacs)	(Rs. in lacs)
1. On Intercompany/Fixed Deposits		1,96.42	1,68.14
2. On Term Loan with Banks		50.07	1,65.20
3. On Cash Credit/Working Capital Demand Loan Accounts		3,99.16	4,37.53
4. Others		71.78	1,90.51
		7,17.43	9,61.38
TOTAL			

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T'

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

1. Consolidation:

- (a) The consolidated financial statements comprise of the financial statements of Excel Industries Limited (hereinafter referred to as "the holding company") and its subsidiary company (hereinafter referred to as "the group"). The details of subsidiary company considered for consolidation together with proportion of share holding held by the group is as follows:

Name of the Subsidiary	Country of Incorporation	% of Group Holding
Kamaljiyot Investments Limited	India	100%

- (b) Consolidated financial statements have been prepared in the same format as adopted by the holding company, to the extent possible, as required by Accounting Standard (AS) 21 'Consolidated Financial Statements' notified under the Companies (Accounting Standards) Rules, 2006.

- (c) For the purpose of preparation of consolidated financial statements, the investment of the group in its associate company is accounted for using the Equity Method. The investment in Excel Bio Resources Limited an associate company has been considered for consolidation together with proportion of share holding held by the group is as under:

Name of the Associate	Country of Incorporation	% of Group Holding
Excel Bio Resources Limited	India	49.02%

- (d) For the purpose of consolidation, the Group has not followed accounting standard (AS) 23 'Accounting for Investment in Associates in Consolidated Financial Statements' in respect of associate companies viz. RomVijay Bioo Tech Private Limited and accounting standard (AS) 27 'Financial Reporting of Interest in Joint Ventures' in respect of Wexsam Limited, Hong Kong. (Also Refer Note No. 6 below)

- (e) The group has 50% ownership interest in M/s. Multichem Industries, a partnership firm registered in India. The proportionate interest in the said entity as per the latest available Balance Sheet as at 31st March, 2010 have been considered for preparation of the aforesaid consolidated financial statements.

- (f) The financial statement of the subsidiary and associate company drawn upto the same reporting date viz. year ended 31st March, 2010 has been used for the purpose of consolidation.

2. Statement of Significant Accounting Policies:

The significant accounting policies followed by the group in the consolidated financial statements are stated hereunder. In case, the uniform policy is not followed by each company in the group, the same, as disclosed in the audited accounts of the said company, has been reproduced, if material.

(a) Basis of Preparation:

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which revaluation is carried out. The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.

(b) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) Fixed Assets and Depreciation:

Excel Industries Limited:

(i) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation/amortisation and provision for impairment, if any, except for the following :

- (a) Land, Buildings, Plant and Machinery and Electrical Installations situated at Roha are stated at their revalued amounts.

- (b) Assets at Mumbai installed up to 31st March, 2002 are stated at cost as estimated by an approved valuer.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

(ii) Depreciation and Amortisation:

(a) Leasehold Land (at cost or revalued as the case may be) is amortised over the period of 69 years and 95 years for Roha and Lote Parshuram site respectively.

(b) Other Fixed Assets:

1. In the case of following assets (which have been revalued) at Roha, depreciation has been provided on straight line (SL) basis over the balance useful life of the assets as estimated by the approved valuer or at the rates specified in Schedule XIV to the Companies Act, 1956, whichever are higher.

Description of Tangible Assets	* Rates (SL Method) (Range)	Schedule XIV Rates (SL Method)
Buildings	1.63% - 19.00%	1.63%
Plant & Machinery	5.28% - 47.50%	5.28%
Electrical Installations	5.28% - 31.67%	5.28%

* Depreciation Rates on SL Method for the balance useful life as estimated by the valuer.

2. In respect of Buildings, Plant and Machinery and Electrical Installations, except additions to the aforesaid Fixed Assets at Mumbai upto 30th September 1981, on straight line basis in accordance with Section 205(2)(b) of the Companies Act, 1956, at the rates specified in Schedule XIV to the Companies Act, 1956.
3. In respect of all other Fixed Assets, on written down value basis in accordance with Section 205(2)(a) of the Companies Act, 1956, at the rates specified in Schedule XIV to the Companies Act, 1956.
4. Individual assets acquired for less than Rs. 5,000 are entirely depreciated in the year of acquisition.

(d) Impairment:

The carrying amounts of assets are reviewed for impairment at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

(e) Intangible assets and Amortisation:

Excel Industries Limited:

(i) Intangible assets are stated at cost less accumulated amortisation.

(ii) Amortisation:

- (a) Computer software is amortised on a straight line basis proportionately over a period of four years.
- (b) Trade marks are amortised on a straight line basis proportionately over a period of five years.

(f) Inventories:

Excel Industries Limited:

- (i) Raw materials, containers, stores and spares
Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a moving weighted average basis.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

- | | | |
|-------|--|--|
| (ii) | Finished goods and Work-in-progress | Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on absorption costing basis at actuals. |
| (iii) | Traded Goods | Lower of cost and net realisable value. Cost is determined on a moving weighted average basis. |
| (iv) | Work-in-progress in respect of Turnkey Projects is valued at lower of cost and net realisable value. | Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. |
- (g) Investments:
Long-term investments are carried at cost of acquisition. However, the carrying amount is reduced to recognise a decline, other than temporary, in the value of long- term investments by a charge to the Profit and Loss Account.
- (h) Export Benefits:
Excel Industries Limited:
Duty free imports of raw materials under Advance License for Imports as per the Export and Import Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.
The benefit accrued under the Duty Entitlement Pass Book Scheme as per the Export and Import Policy in respect of exports made under the said Scheme is included under the head "Other Income from Operation" as 'Incentives on Exports'.
- (i) Retirement Benefits:
Excel Industries Limited:
- | | |
|-------|---|
| (i) | Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contribution to the fund is due. There are no obligations other than the contribution payable to the Provident Fund Trust. |
| (ii) | Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contribution is charged to the Profit and Loss Account of the year when the contribution accrues. There are no obligations other than the contribution payable to the Superannuation Fund Trust. |
| (iii) | Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. |
| (iv) | Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. |
| (v) | Actuarial gains/losses are recognised immediately to the Profit and Loss Account and are not deferred. |
| (vi) | Payments made under the Voluntary Retirement Scheme are charged to the Profit and Loss Account immediately. |
- (j) Foreign Currency Translations:
Excel Industries Limited:
Foreign Currency Transactions:
- | | |
|------|--|
| (i) | Initial Recognition:
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. |
| (ii) | Conversion:
Foreign currency monetary items are reported using the closing exchange rate on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign |

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences:

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(iv) Forward Exchange Contracts:

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of Profit and Loss in the year in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

(k) Research and Development Costs:

Research costs (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account.

(l) Leases:

(a) Where the Company is the lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

(b) Where the Company is the lessor:

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expenses in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Profit and Loss Account.

(m) Borrowing Costs:

Interest and other costs incurred for acquisition of qualifying assets, upto the date of commissioning/ installation, are capitalised as part of the cost of the said assets.

(n) Government Grants:

Excel Industries Limited:

Government Capital Grants of the nature of promoters' contribution are credited to Capital Reserve and treated as part of Shareholders' Funds.

(o) Accounting for Turnkey Projects:

Excel Industries Limited:

Income in respect of Turnkey Projects is accounted on the completion of the said projects.

(p) Revenue recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Gross turnover includes Excise Duty but does not include Sales Tax and VAT.

Income from Services

Revenues from service contracts are recognised pro-rata over the period of the contract as and when services are rendered and are net of service tax.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

Royalties

Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreement.

Other Income

Certain items of income such as insurance claims, overdue interest from customers etc. are considered to the extent the amount is ascertainable/accepted by the parties.

(q) Cash and Cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(r) Provisions and contingent liabilities:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when the Company has a possible obligation and it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

(s) Earnings Per Share:

Basic earnings per share are calculated by dividing the net Profit or Loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net Profit or Loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(t) Segment Reporting Policies:

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Unallocated items

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(u) Taxation:

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Fringe Benefit Tax is provided in accordance with the provisions of the Income Tax Act, 1961 and Wealth Tax is provided in accordance with the provisions of the Wealth Tax Act, 1957.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

	As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
3. Contingent Liabilities:		
(a) Bills discounted	67.25	4,65.54
(b) Disputed income-tax liability	6,67.42	1,205.14
(c) Disputed excise duty liability	1,42.69	1,29.16
(d) Disputed sales-tax liability	5.14	—
(e) Disputed service tax liability	14.57	—
(f) Disputed Water Charges	—	18.49
(g) Guarantees given by company's Bankers on behalf of the company to third parties	55.16	21.33
(h) (i) Claims against the holding company not acknowledged as debts	27.46	27.46
(ii) Liability in respect of claim made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable
4. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,05.81	66.35
5. Land, Buildings, Plant and Machinery and Electrical Installations situated at Roha have been revalued as on 30th September 2001 on the basis of valuation report of Government approved valuers at their depreciated replacement value, resulting in an increase of Rs. 15,94.81 lacs in the book value of fixed assets. The depreciation for the year includes an amount of Rs. 39.94 lacs (Previous Year: Rs. 47.53 lacs) on such revalued assets which has been computed on a Straight Line Basis over the balance useful life of the assets or Schedule XIV rates whichever is higher.		

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

6. Associate Company and Joint Venture Company

While preparing the Consolidated Financial Statements, the Group has not recognised the effect of investments in below mentioned associate company on the financial position and the operating results of the group. Investments of the group in the aforesaid associate company included in the Consolidated Financial Statements are as under :

	Country of Incorporation	% of Group Holding		
Associate Companies:				
RomVijay Bioo Tech Private Limited	India	24.00%	50.25	50.25

The Group has 33.33% interest in jointly controlled entity Wexsam Limited-Hong Kong. During the year, the Company has initiated discussion with other stakeholders for the closure of this Company. Since there were no activities in the said jointly controlled entity for the past two years, the financials are not available. Accordingly, the proportionate interest of the Group in the said jointly controlled entity has not been considered in the Consolidated Financial Statements. Further, the Company has made provision for diminution in value of this investment amounting to Rs. 27.26 lacs.

7. The holding company has entered into an agreement on 27th December 2005 to develop its plot of land at Jogeshwari. On satisfactory completion of the entire transaction, the holding company will secure 41% of the constructed area in return for the transfer of balance 59% rights in the land. The profit arising on the said transaction will crystallise on the completion of the entire development and will be accounted for in the books accordingly.

8. Amounts capitalised and excluded from:

Manufacturing and Other Expenses	2,68.65	69.87
	Current Year	Previous Year
	(Rs. in lacs)	(Rs. in lacs)

9. Research and Development costs, as certified by the Management, debited to the Profit and Loss Account are as under:

(a) Revenue expenses debited to Research and Development Expenses Account and other heads of accounts	1,97.37	1,22.78
(b) Depreciation on Research and Development Equipment	41.35	37.95
	2,38.72	1,60.73

10. Remuneration to Directors of the holding company:

To Chairman & Managing Director, Executive Vice-Chairperson and Executive Director:

(i) Salaries	53.14	49.83
(ii) Contribution to Provident and Other Funds	14.05	13.45
(iii) Perquisites and other allowances	16.47	19.82
	83.66	83.10

11. Consolidated Earning Per Share:

(1) Profit/(Loss) after tax:	5,78.09	42.30
(Less) : Prior Period Adjustments (Net):	1,89.53	(30.34)
Add: Share of Profits in associate companies	0.59	(0.59)
Profit/(Loss) attributable to Equity Shareholders	7,68.21	11.37
	Nos.	Nos.
(2) Weighted average number of Equity Share Outstanding	1,09,05,630	1,09,05,630
	Rupees	Rupees
(3) Earning per Share (Basic and Diluted)	7.04	0.10
(4) Nominal Value of Equity Share	5.00	5.00

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

12. Details of Employee Benefits – Gratuity:

(i) Defined Benefit Plans

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on retirement at 15 days of last drawn salary for each completed year of service. If an employee completes more than 25 years of service then instead of 15 days, he/she will get gratuity on retirement at 22 days last drawn salary. The aforesaid liability is provided for on the basis of an actuarial valuation made at the end of the financial year. The scheme is funded with insurance Companies in the form of a qualifying insurance policies.

(a) The amounts recognised in the statement of Profit and Loss Account are as follows:

(i) Defined Benefit Plan

	Current Year Gratuity (Rs. in lacs)	Previous Year Gratuity (Rs. in lacs)
Current Service cost	79.11	63.98
Interest cost on benefit obligation	1,07.10	85.75
Expected return on plan assets	(97.52)	(78.46)
Net actuarial (gain)/loss recognised during the year	96.95	1,28.64
Amount included under the head personnel expenses in Schedule 'Q' Manufacturing and Other Expenses	1,85.64	1,99.91
Actual return on plan assets	89.96	76.77

(b) The amounts recognised in the Balance Sheet are as follows:

	As at 31st March, 2010 Defined Benefit Plan-Gratuity (Funded) (Rs. in lacs)	As at 31st March, 2009 Defined Benefit Plan-Gratuity (Funded) (Rs. in lacs)
Present value of funded obligation	15,11.46	12,98.21
Less: Fair value of plan assets	12,94.78	9,62.65
Net Liability included under the head Provision for Gratuity, in Schedule 'N' – Provisions	2,16.68	3,35.56

(c) Changes in the present value of the defined benefit obligation:

	As at 31st March, 2010 Gratuity (Rs. in lacs)	As at 31st March, 2009 Gratuity (Rs. in lacs)
Opening defined benefit obligation	12,98.21	11,43.33
Interest cost	1,07.10	85.75
Current service cost	79.11	63.98
Benefits paid	(62.71)	(1,18.28)
Actuarial (gains)/loss on obligation	89.74	1,23.43
Closing defined benefit obligation	15,11.45	12,98.21

(d) Changes in the fair value of plan assets are as follows:

	As at 31st March, 2010 Gratuity (Rs. in lacs)	As at 31st March, 2009 Gratuity (Rs. in lacs)
Opening fair value of plan assets	9,62.65	8,57.68
Expected return	97.52	78.46
Contributions made by employer during the year	3,04.54	1,50.00
Benefits paid	(62.71)	(1,18.28)
Actuarial gains/(loss)	(7.21)	(5.21)
Closing fair value of plan assets	12,94.79	9,62.65

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

	As at 31st March, 2010 Gratuity (Rs. in lacs)	As at 31st March, 2009 Gratuity (Rs. in lacs)
(e) Expected contribution to defined benefit plan for the year 2010-11	2,25.00	2,25.00
(f) The major categories of plan assets as a percentage of fair value of total plan assets are as follows:	Current Year	Previous Year
Insurer Managed Funds (Life Insurance Corporation of India)	83.55%	84.00%
Insurer Managed Funds (Aviva Life Insurance Company India Limited)	16.45%	16.00%
	<u>100.00%</u>	<u>100.00%</u>
The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in the expected rate of return on assets due to the improved stock market scenario		
(g) The principal actuarial assumptions at the Balance Sheet date	Current Year Gratuity	Previous Year Gratuity
Discount rate	8.25%	7.5%
Expected rate of return on plan assets	9%	9%
Expected rate of salary increase	5%	5%
Mortality table	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
Proportion of employees opting for early retirement	5% to 1%	5% to 1%
Notes		
1. The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
2. The disclosure required under Para 120(n)(ii) of Accounting Standard 15 "Employee Benefits" (Revised, 2003) pertaining to experience adjustments on plan assets and plan liabilities is not given on the ground that such information is not provided by the actuary.		
(II) Defined Contribution Plans		
— Provident Fund is a defined contribution scheme established under a State Plan.		
— Superannuation Fund is a defined contribution scheme. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.		
Defined Contribution Plan	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Provident Fund	1,25.29	1,78.93
Superannuation Fund	65.24	59.38

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

13. Segment Information

Information About Primary Business Segments:

Particulars	Chemicals	Current Year (Rs. in lacs) Environment	Total	Chemicals	Previous Year (Rs. in lacs) Environment	Total
REVENUE:						
External Revenue	231,64.76	8,27.03	239,91.79	238,28.79	7,82.13	246,10.92
Un-allocated Revenue:			1,96.07			3,59.48
Total Revenue			241,87.86			249,70.40
RESULT:						
Segment result	28,23.31	1,26.41	29,49.72	24,98.41	5.98	25,04.39
Un-allocated expenditure net of un-allocated income			9,31.14			14,68.06
Interest Expenses			7,17.43			9,61.38
Profit/(Loss) before taxation but after prior period adjustments			13,01.15			74.95
Provision for Taxation						
Current			1,25.00			7.40
In respect of earlier year			1,36.27			6.57
Minimum Alternative Tax Entitlement			(1,78.75)			(7.00)
Wealth Tax			2.00			2.00
Fringe Benefit Tax			—			28.50
Deferred			4,49.01			25.52
Profit/(Loss) after taxation			7,67.62			11.96
OTHER INFORMATION:						
Segment Assets	193,68.41	9,34.05	203,02.46	193,78.88	8,57.65	202,36.53
Un-allocated Assets			27,48.50			31,69.35
Total Assets			230,50.96			234,05.88
Segment Liabilities	(33,72.35)	(1,63.60)	(35,35.95)	(53,95.09)	(74.54)	(54,69.63)
Un-allocated Liabilities			(90,23.69)			(82,03.75)
Total Liabilities			(125,59.64)			(136,73.38)
Segment Capital expenditure	6,76.34	15.29	6,91.63	8,25.30	27.05	8,52.35
Un-allocated Capital expenditure			26.37			34.20
Segment Depreciation and Amortisation	8,51.70	45.12	8,96.82	8,51.60	42.94	8,94.54
Un-allocated Depreciation and Amortisation			96.22			1,08.45
Segment Non-cash expenses other than Depreciation and Amortisation						
Depreciation and Amortisation	5,88.08	4.38	5,92.46	1,20.47	—	1,20.47
Un-allocated Non-cash expenses other than Depreciation and Amortisation			5.45			6,25.29
Information About Secondary Business Segments:						
	Domestic	Exports	Total	Domestic	Exports	Total
Revenue	187,10.63	54,77.23	241,87.86	183,28.42	66,41.98	249,70.40
Carrying amount of Assets	222,03.39	8,47.57	230,50.96	215,68.55	18,37.33	234,05.88
Capital Expenditure	7,18.00	—	7,18.00	8,86.55	—	8,86.55

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

14. Related Party disclosures as required by Accounting Standard (AS) -18

“Related Party Disclosures”, notified by Companies (Accounting Standards) Rules, 2006 (as amended) are given below:

(a) Relationships:

1. Associate Companies:

Excel Bio-Resources Limited
RomVijay Bioo Tech Private Limited

2. Joint Venture Company:

Wexsam Limited, Hong Kong

3. Enterprises over which Key Management Personnel and their relatives have significant influence:

Agrocel Industries Limited
Anshul Specialty Molecules Limited
C. C. Shroff Research Institute
C. C. Shroff Self Help Centre
Dipkanti Investments & Financing Private Limited
Excel Crop Care Limited
Good Rasayan Limited
Hyderabad Chemical Supplies Limited
Hyderabad Chemical Products Limited
Mumukshu Finance & Services Private Limited
Parul Chemicals Limited
Pritami Investments Private Limited
Shrodip Investments Private Limited
Transpek Industry Limited
Transpek-Silox Industry Limited
Transpek Industry (Europe) Limited
TML Industries Limited (Formerly Transmetal Limited)
Utkarsh Chemicals Private Limited

4. Key Management Personnel and their Relatives:

(a) Key Management Personnel:

Shri G. Narayana
Shri Ashwin C. Shroff
Shri Dipesh K. Shroff
Shri Atul G. Shroff
Smt. Usha A. Shroff
Shri S. R. Potdar
Shri Ravi Ashwin Shroff

(b) Relatives:

Shri Kantisen C. Shroff
Smt. Shruti Atul Shroff
Kum. Vishwa Atul Shroff
Smt. Chetna Praful Saraiya
Shri Praful Manilal Saraiya
Smt. Hiral Tushar Dayal
Shri Tushar Charandas Dayal
Smt. Chanda Kantisen Shroff
Smt. Preeti Dipesh Shroff
Smt. Anshul Amrish Bhatia
Shri Hrishit Ashwin Shroff
Shri Dilip G. Bhatia
Shri Pradeep Ghattu

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

(b) The following transactions were carried out with the related parties in the course of business:

(Rs. in lacs)

Sr. No.	Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Total
(1) INCOME						
(a) Sale of Goods (Net of Excise Duty)						
	Excel Crop Care Limited	— (—)	24,54.57 (25,04.69)	— (—)	— (—)	24,54.57 (25,04.69)
	Others	— (—)	3,33.54 (2,28.92)	— (—)	— (—)	3,33.54 (2,28.92)
	Total	— (—)	27,88.11 (27,33.61)	— (—)	— (—)	27,88.11 (27,33.61)
(b) Rent Received						
	Excel Crop Care Limited	— (—)	38.40 (99.00)	— (—)	— (—)	38.40 (99.00)
	Total	— (—)	38.40 (99.00)	— (—)	— (—)	38.40 (99.00)
(c) Processing Charges						
	Excel Crop Care Limited	— (—)	10,65.22 (9,20.19)	— (—)	— (—)	10,65.22 (9,20.19)
	Others	— (—)	45.81 (—)	— (—)	— (—)	45.81 (—)
	Total	— (—)	11,11.03 (9,20.19)	— (—)	— (—)	11,11.03 (9,20.19)
(d) Royalty						
	Excel Crop Care Limited	— (—)	72.50 (69.99)	— (—)	— (—)	72.50 (69.99)
	Total	— (—)	72.50 (69.99)	— (—)	— (—)	72.50 (69.99)
(e) Dividend Received						
	TML Industries Limited	— (—)	13.33 (10.67)	— (—)	— (—)	13.33 (10.67)
	Transpek -Silox Industry Limited	— (—)	1,04.61 (74.72)	— (—)	— (—)	1,04.61 (74.72)
	Others	— (—)	5.17 (5.00)	— (—)	— (—)	5.17 (5.00)
	Total	— (—)	1,23.11 (79.72)	— (—)	— (—)	1,23.11 (90.39)
(f) Reimbursement of expense/salary incurred on behalf						
	Excel Crop Care Limited	— (—)	26.68 (25.78)	— (—)	— (—)	26.68 (25.78)
	Total	— (—)	26.68 (25.78)	— (—)	— (—)	26.68 (25.78)

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

						(Rs. in lacs)
Sr. No.	Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Total
(2)	EXPENSES					
(a)	Purchase of Goods/Others					
	Excel Crop Care Limited	— (—)	1,99.56 (2,39.80)	— (—)	— (—)	1,99.56 (2,39.80)
	Transpek Industry Limited	— (—)	28.05 (—)	— (—)	— (—)	28.05 (—)
	Anshul Specialty Molecules Limited	— (—)	— (87.41)	— (—)	— (—)	— (87.41)
	Others	— (—)	7.76 (1.80)	— (—)	— (—)	7.76 (1.80)
	Total	— (—)	2,35.37 (3,29.01)	— (—)	— (—)	2,35.37 (3,29.01)
(b)	Processing Charges					
	Good Rasayan Limited	— (—)	39.64 (36.36)	— (—)	— (—)	39.64 (36.36)
	Total	— (—)	39.64 (36.36)	— (—)	— (—)	39.64 (36.36)
(c)	Remuneration					
	Shri Ashwin C. Shroff	— (—)	— (—)	25.96 (25.86)	— (—)	25.96 (25.86)
	Smt. Usha A. Shroff	— (—)	— (—)	25.94 (25.86)	— (—)	25.94 (25.86)
	Shri S. R. Potdar	— (—)	— (—)	36.69 (31.39)	— (—)	36.69 (31.39)
	Shri Pradeep Ghattu	— (—)	— (—)	— (—)	9.35 (7.31)	9.35 (7.31)
	Total	— (—)	— (—)	88.59 (83.11)	9.35 (7.31)	97.94 (90.42)
(d)	Directors' Sitting Fees					
	Dipesh K. Shroff	— (—)	— (—)	0.45 (0.30)	— (—)	0.45 (0.30)
	Atul G. Shroff	— (—)	— (—)	0.10 (0.15)	— (—)	0.10 (0.15)
	Total	— (—)	— (—)	0.55 (0.45)	— (—)	0.55 (0.45)
(e)	Retirement Benefits					
	Shri K. C. Shroff	— (—)	— (—)	— (—)	3.60 (3.60)	3.60 (3.60)
	Shri G. Narayana	— (—)	— (—)	15.60 (16.26)	— (—)	15.60 (16.26)
	Total	— (—)	— (—)	15.60 (16.26)	3.60 (3.60)	19.20 (19.86)

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

(Rs. in lacs)

Sr. No.	Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Total
(f)	Reimbursement of expense/salary incurred on behalf					
	Transpek Industry (Europe) Limited	— (—)	27.39 (—)	— (—)	— (—)	27.39 (—)
	Total	— (—)	27.39 (—)	— (—)	— (—)	27.39 (—)
(g)	Rent Paid					
	Excel Crop Care Limited	— (—)	20.04 (—)	— (—)	— (—)	20.04 (—)
	Total	— (—)	20.04 (—)	— (—)	— (—)	20.04 (—)
(3)	FINANCE/OTHERS					
(a)	Loans/Advance given					
	Transpek Industry (Europe) Limited	— (—)	34.65 (—)	— (—)	— (—)	34.65 (—)
	Total	— (—)	34.65 (—)	— (—)	— (—)	34.65 (—)
(b)	Dividend Paid					
	Ashwin C. Shroff	— (—)	— (—)	0.42 (0.86)	— (—)	0.42 (0.86)
	Atul G. Shroff	— (—)	— (—)	0.30 (0.59)	— (—)	0.30 (0.59)
	Kantisen C. Shroff	— (—)	— (—)	— (—)	0.27 (0.53)	0.27 (0.53)
	Ravi A. Shroff	— (—)	— (—)	0.24 (—)	— (0.56)	0.24 (0.56)
	Dilip G. Bhatia	— (—)	— (—)	— (—)	0.52 (1.04)	0.52 (1.04)
	Anshul Specialty Molecules Limited	— (—)	9.45 (18.90)	— (—)	— (—)	9.45 (18.90)
	Utkarsh Chemicals Private Limited	— (—)	5.55 (10.34)	— (—)	— (—)	5.55 (10.34)
	Others	— (—)	3.28 (6.59)	0.09 (0.17)	0.81 (1.54)	4.18 (8.30)
	Total	— (—)	18.28 (35.83)	1.05 (1.62)	1.60 (3.67)	20.93 (41.11)
(c)	Sale of Fixed Assets					
	Excel Crop Care Limited	— (—)	1.12 (2.94)	— (—)	— (—)	1.12 (2.94)
	Total	— (—)	1.12 (2.94)	— (—)	— (—)	1.12 (2.94)

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

						(Rs. in lacs)
Sr. No.	Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Total
(4)	OUTSTANDING AS AT BALANCE SHEET DATE					
(a)	Amounts Receivable/Recoverable in kind					
	Excel Crop Care Limited	—	11,91.33	—	—	11,91.33
		(—)	(7,68.03)	(—)	(—)	(7,68.03)
	Others	—	48.71	—	—	48.71
		(—)	(1,29.83)	(—)	(—)	(1,29.83)
	Total	—	12,40.04	—	—	12,40.04
		(—)	(8,97.86)	(—)	(—)	(8,97.86)
(b)	Advance/Loans Recoverable					
	Transpek Industry (Europe) Limited	—	7.26	—	—	7.26
		(—)	(—)	(—)	(—)	(—)
	Total	—	7.26	—	—	7.26
		(—)	(—)	(—)	(—)	(—)
(c)	Amount Payable (Net)					
	Anshul Specialty Molecules Limited	—	—	—	—	—
		(—)	(3.51)	(—)	(—)	(3.51)
	Good Rasayan Limited	—	18.67	—	—	18.67
		(—)	(21.51)	(—)	(—)	(21.51)
	Transpek Industry Limited	—	13.48	—	—	13.48
		(—)	(—)	(—)	(—)	(—)
	Agrocel Industries Limited	—	—	—	—	—
		(—)	(7.52)	(—)	(—)	(7.52)
	Others	—	4.10	—	—	4.10
		(—)	(0.12)	(—)	(—)	(0.12)
	Total	—	36.25	—	—	36.25
		(—)	(32.66)	(—)	(—)	(32.66)

(Figures in brackets relate to the Previous Year)

15. Foreign exchange derivatives and exposures outstanding as at the Balance Sheet date:

Nature of Instrument	Currency	As at 31st March, 2010	As at 31st March, 2010	As at 31st March, 2009	As at 31st March, 2009
		(Rs. in lacs)	Foreign Currency Value (in lacs)	(Rs. in lacs)	Foreign Currency Value (in lacs)
(a) Forward contract – Buy for Hedging Purpose					
(i) Loans	USD	7,70.71	16.64	4,32.94	8.57
(ii) Interest/Other Expenses	USD	2.92	0.06	9.91	0.19
(b) Un-hedged Foreign Currency Exposure on:					
(i) Payables	GBP	11.26	0.17	21.34	0.30
	USD	3,68.52	8.16	5,24.50	10.29
(ii) Receivables	EUR	92.09	1.52	1,34.24	1.99
	USD	7,26.20	16.09	16,84.08	33.09
	GBP	5.18	0.08	1.73	0.02
(iii) Loans taken	USD	—	—	9,09.38	17.84
(iv) Loans given	GBP	7.26	0.10	—	—
(v) Bank Balances	USD	16.84	0.37	19.01	0.37

EXCEL INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'T' — (Contd.)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS:

16. Break up of Deferred Tax Assets and Deferred Tax Liabilities :

(a) Deferred Tax Assets	As at 31st March, 2010 (Rs. in lacs)	As at 31st March, 2009 (Rs. in lacs)
(i) Liabilities Allowable on Payment basis	2,35.18	2,24.32
(ii) Provision for Doubtful Debts/Advances	8.33	3,52.41
(iii) Unabsorbed Depreciation	—	2,37.99
(iv) Unabsorbed Capital Loss	36.80	7.88
(v) Others	—	43.12
	2,80.31	8,65.72
(b) Deferred Tax Liabilities		
(i) Depreciation	17,48.62	18,85.01
	17,48.62	18,85.01
DEFERRED TAX LIABILITY (NET)	14,68.31	10,19.29

The Company has recognised deferred tax asset since the management believes that the reversal of the timing difference on account of depreciation would result in sufficient future taxable income against which the said deferred tax asset can be realised. Further, unabsorbed capital loss has been recognised since the Company is in process of completing the transfer of capital assets which will result in capital gains. (Also refer Note No. 7 above)

17. Previous year's figures have been regrouped/rearranged where necessary to conform to this year's classification.

For S. R. BATLIBOI & CO.
Firm Registration No. 301003E
Chartered Accountants

per VIJAY MANIAR
Partner
Membership No. 36738

Place : Mumbai,
Date : 21 May 2010

For and on behalf of the Board of Directors of
Excel Industries Limited

A. C. SHROFF
Chairman & Managing Director

S. R. POTDAR
Executive Director

Place : Mumbai,
Date : 21 May 2010

U. A. SHROFF
Executive Vice Chairperson

KAILAS DABHOLKAR
Vice President-Finance
and Taxation

S. K. SINGHVI
Company Secretary

EXCEL INDUSTRIES LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO SUBSIDIARY COMPANY

1. Name of the subsidiary company	Kamaljyot Investments Limited
2. The financial year of the subsidiary company ended on	31st March, 2010
3. Date from which it became subsidiary	30th July, 1984
4. Shares of the subsidiary company held by Excel Industries Limited at the end of the financial year of the subsidiary company:	
(a) Number and face value	1,99,982 equity shares of Rs.100/- each
(b) Extent of holding	100%
5. Net aggregate profits/losses of the subsidiary company, so far as it concerns the members of Excel Industries Limited —	
(a) not dealt with in the accounts of Excel Industries Limited for the year ended 31st March, 2010, amounted to:	
(i) for the subsidiary company's financial year ended as in (2) above	Rs. (-) 1,69,664
(ii) for previous financial years of the subsidiary company	Rs. (-) 26,82,102
(b) dealt with in the accounts of Excel Industries Limited for the year ended 31st March, 2010, amounted to:	
(i) for the subsidiary company's financial year ended as in (2) above	Rs. NIL
(ii) for previous financial years of the subsidiary company	Rs. NIL
6. Changes in the interest of Excel Industries Limited in the subsidiary company between the end of financial year of the subsidiary company and 31st March, 2010	NOT APPLICABLE
7. Material changes between the end of the financial year of the subsidiary company and 31st March, 2010	
(a) fixed assets	} NOT APPLICABLE
(b) investments	
(c) monies lent by the subsidiary company	
(d) monies borrowed by the subsidiary company for any purpose other than that of meeting current liabilities	

<p style="text-align: center;">A. C. SHROFF <i>Chairman & Managing Director</i></p>	<p style="text-align: center;">U. A. SHROFF <i>Executive Vice Chairperson</i></p>	<p style="text-align: center;">KAILAS DABHOLKAR <i>Vice President-Finance & Taxation</i></p>	<p style="text-align: center;">S. K. SINGHVI <i>Company Secretary</i></p>
<p>Mumbai 21 May 2010</p>	<p style="text-align: center;">S. R. POTDAR <i>Executive Director</i></p>		

KAMALJYOT INVESTMENTS LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty-sixth Annual Report and audited Statement of Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS:	2009-10 Rupees	2008-09 Rupees
Profit before Provision for Diminution in value of Investments made:	7,16,348	6,43,108
Less: Provision for Diminution in value of Investments made (Net):	7,88,480	65,49,035
Loss for the year:	(72,132)	(59,05,927)
Less: Provision for taxation for current tax, Deferred Tax & Credit for Alternative Tax Entitlement:	97,532	38,955
	(1,69,664)	(59,44,882)
Add: (Loss)/Profit brought forward:	(26,82,102)	32,62,780
Loss carried to Balance Sheet:	(28,51,766)	(26,82,102)

OPERATIONS

The Company's principal activities are financing and investment holding. The book value of the Company's portfolio as on 31st March, 2010 after provision for diminution in the value thereof was **Rs. 416.78 lacs** (Previous Year: Rs. 421.79 lacs). The market value of the quoted investments was **Rs. 357.24 lacs** as against Rs. 205.80 lacs in the previous year.

INVESTMENTS

- (a) During the year, the Company was allotted third tranche of 1,09,681 equity shares of Rs. 10/- each of Transpek Industry Limited, @ Rs. 65/- per share, amounting to Rs. 71.29 lacs, under preferential offer made by the Company.
- (b) During the year, the Company has sold 2,79,850 equity shares of Parul Chemicals Limited for Rs. 63.61 lacs.

DIRECTORS

Mrs. U. A. Shroff and Mr. K. D. Dabholkar, the Directors of the Company, who retire by rotation are eligible for re-appointment and have indicated their willingness to serve, if re-appointed.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;
- (iii) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and
- (iv) the Directors have prepared the annual accounts on a going concern basis.

KAMALJYOT INVESTMENTS LIMITED

RESERVE BANK OF INDIA DIRECTIONS

The Company has complied with the provisions of Non-Banking Financial Companies (Reserve Bank of India) Directions, 1977, as amended from time to time.

PARTICULARS OF EMPLOYEES

Pursuant to Section 217(2A) of the Companies Act, 1956, the Directors have to inform you that there was no such employee as mentioned in the said section.

OTHER INFORMATION

Provisions of Section 217(1)(e) of the Companies Act, 1956, are not applicable to the Company, since the Company is an Investment Company.

AUDITORS

Messrs. S. R. Batliboi & Company, the present Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting. They have expressed, in writing, their unwillingness for re-appointment as the Company's Auditors.

Messrs S. V. Ghatalia & Associates, Chartered Accountants, have confirmed, in writing, their eligibility under Section 224(1B) of the Companies Act, 1956, and have expressed their willingness for appointment.

The Board of Directors proposes to appoint Messrs S. V. Ghatalia & Associates, as the Auditors of the Company in place of Messrs S. R. Batliboi & Company, the retiring Auditors of the Company.

By Order of the Board of Directors

A. C. SHROFF
Chairman

*Mumbai,
20 May 2010*

KAMALJYOT INVESTMENTS LIMITED

COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH, 2010

Company Identification Number: U 65990 MH 1983 PLC 030597

Nominal Capital: Rs. 2,00,00,000/-

To,

The Members

Kamaljyot Investments Limited

Mumbai

I have examined the registers, records, books and papers of **Kamaljyot Investments Limited** (the company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2010** (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers, I certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in the **Annexure 'A'** to this certificate, as per the provisions of the Act and rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in the **Annexure 'B'** to this certificate, with the Ministry of Corporate Affairs.
3. The Company being a **Public Limited Company**, has the minimum prescribed paid up capital. The Paid up Capital is **Rs. 1,99,98,200/-**.
4. The Board of Directors duly met Four times on **28th May, 2009, 24th August, 2009, 23rd November, 2009 and 31st March, 2010** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended on **31st March, 2009** was held on **24th August, 2009** after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year under review.
8. The Company has not advanced any loans to its Directors or Persons or Firms or Companies referred under Section 295 of the Act, during the year under review.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling under the purview of Section 314 of the Act, the Company has not obtained any approvals of the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year under review.
13. The Company has :
 - (i) not allotted/transferred/transmitted any securities during the financial year under review.
 - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) not posted warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) not transferred any amount to Investor Education and Protection Fund, as there was no unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid.
 - (v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any managing director/whole-time director/manager during the financial year under review.
16. The Company has not appointed any sole selling agents during the year under review.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.
21. There was no redemption of Preference Shares or Debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of the transfer of shares in compliance with the provisions of the Act.

KAMALJYOT INVESTMENTS LIMITED

23. The Company has not accepted/invited any deposits including any unsecured loans falling within the purview of Section 58A of the Act, during the financial year.
24. The amounts borrowed by the Company during the financial year ending 31st March, 2010 are within the borrowing limits of the Company.
25. During the financial year, the Company has not given guarantees or provided securities to other bodies corporate. However the Company has made loans to and made investments in other bodies corporate in compliance with the provisions of this Act and has made necessary entries in the registers kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company during the financial year, for the offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted a Provident Fund u/s 418 of the Act.

The above report is based on the information/records and registers made available to me as were found, to the best of my knowledge, to be necessary for the purpose of Audit.

Place : Mumbai
Date : 20 May 2010

PRASHANT DIWAN
Company Secretary
FCS : 1403/CP : 1979

COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH, 2010

ANNEXURE A

Registers as maintained by the Company.

1. Register of Investment u/s 49 of the Act.
2. Register of Members u/s 150 of the Act.
3. Minutes Book u/s 193 of the Act.
4. Register of Contracts u/s 301 of the Act.
5. Register of Directors u/s 303 of the Act.
6. Register of Directors' Shareholding u/s 307 of the Act.
7. Register of Transfer.

ANNEXURE B

Forms and Returns as filed by the Company with the Ministry of Corporate Affairs during the financial year ended on 31st March, 2010.

1. **Form 66** in respect of submission of **Compliance Certificate** for the year ended 31.03.2009 filed on 1st September, 2009 vide Challan No. **P34151068**.
2. **Form 23AC & 23ACA** in respect of filing of **Balance Sheet** as at 31.03.2009 & **Profit and Loss Account** for the year ended on that date respectively as adopted by the members at the Annual General Meeting of the Company held on 24th August, 2009 were filed on 1st September, 2009 vide Challan No. **P34153247**.
3. **Form 20B** in respect of filing of **Annual Return** made up to 24th August, 2009 was filed on 8th September, 2009 vide Challan No. **P34290213**.

Place : Mumbai
Date : 20 May 2010

PRASHANT DIWAN
Company Secretary
FCS : 1403/CP : 1979

KAMALJYOT INVESTMENTS LIMITED

AUDITORS' REPORT

TO
THE MEMBERS OF
KAMALJYOT INVESTMENTS LIMITED

1. We have audited the attached Balance Sheet of Kamaljyot Investments Limited as at March 31, 2010 and also the Profit and Loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, the profit and loss account and the cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - (b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For S. R. BATLIBOI & CO.
Firm Registration No. 301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No. 36738
Place : Mumbai,
Date : May 20, 2010

KAMALJYOT INVESTMENTS LIMITED

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

Re: Kamaljyot Investments Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) As the Company does not have any inventories, clause ii (a), (b) and (c) of the Companies (Auditors Report) Order, 2003 (as amended) order are not applicable.
- (iii) (a) The Company has granted loans to party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 22,47,175/- and the year-end balance of the said loans was Rs. 17,00,000/-.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
- (c) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (d) There is no overdue amount of loans granted to companies, listed in the register maintained under Section 301 of the Companies Act, 1956.
- (e) As informed, the Company not taken any loans from parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence clause (f) and (g) of the order are not applicable to the Company.
- (iv) There were no transactions for purchases of inventory, the sale of goods and services during the year and hence, the question of reporting on the adequacy of the internal control system with regards to the purchase or sale of the aforesaid items does not arise. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under Section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) Undisputed statutory dues including income-tax and other material statutory dues applicable to it, have generally been regularly deposited with the appropriate authorities. As per the records of the Company and according to the information and explanations given to us there are no dues of provident fund, employees' state insurance, investor education and protection fund, wealth-tax, customs duty, sales-tax, service tax, excise duty and cess applicable to the Company.

KAMALJYOT INVESTMENTS LIMITED

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax which have not been deposited on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. As informed the Company does not have any borrowings from financial institutions or by way of debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through public issues during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S. R. BATLIBOI & CO.
Firm Registration No. 301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No. 36738
Place : Mumbai,
Date : May 20, 2010

KAMALJYOT INVESTMENTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	Rupees	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS				
(a) Capital	'A'	19,998,200		19,998,200
(b) Reserves and Surplus	'B'	2,150,034		2,319,698
			22,148,234	22,317,898
2. LOAN FUNDS				
Unsecured Loans	'C'	25,500,000		21,500,000
3. DEFERRED TAX LIABILITY			5,124	7,592
	TOTAL		47,653,358	43,825,490
APPLICATION OF FUNDS				
1. FIXED ASSETS	'D'			
(a) Gross Block		46,500		46,500
(b) Less: Depreciation		28,727		21,189
(c) Net Block			17,773	25,311
2. INVESTMENTS	'E'		41,877,769	42,379,275
3. CURRENT ASSETS, LOANS AND ADVANCES				
(a) Cash and Bank Balances	'F'	2,559,212		326,754
(b) Other Current Assets	'G'	35,509		631,056
(c) Loans and Advances	'H'	3,239,145		2,543,737
		5,833,866		3,501,547
Less: CURRENT LIABILITIES AND PROVISIONS				
Current Liabilities	'I'	76,050		2,080,643
NET CURRENT ASSETS			5,757,816	1,420,904
	TOTAL		47,653,358	43,825,490
NOTES ON ACCOUNTS	'J'			
<p>The schedule referred to above and notes to accounts form an integral part of the Balance Sheet</p> <p>As per our Report of even date.</p> <p>For S. R. BATLIBOI & CO. Firm Registration No. : 301003E Chartered Accountants</p> <p>per VIJAY MANIAR Partner Membership No. : 36738</p> <p>Mumbai, Date: 20 May 2010.</p> <p>For and on behalf of the Board of Directors of Kamaljyot Investments Limited</p> <p>A. C. SHROFF U. A. SHROFF K. D. DABHOLKAR Directors</p> <p>Mumbai, Date: 20 May 2010.</p>				

KAMALJYOT INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	Rupees	Current Year Rupees	Previous Year Rupees
INCOME				
Income from long-term investments (Gross)				
Dividend			1,102,978	536,507
Interest on loans, etc. (Gross)			221,386	228,438
[Tax deducted at source Rs. 46,772 (Previous Year: Rs. 51,773)]				
Excess provision for expenses written back			—	494
			1,324,364	765,439
EXPENDITURE				
Legal and professional charges			112,931	98,523
Loss on sale of investments			481,300	—
Share of loss in partnership firm			432	4,232
Provision for diminution in value of investments (Net)			788,480	6,549,035
Depreciation			7,538	7,538
Miscellaneous expenses			5,815	12,038
			1,396,496	6,671,366
PROFIT/(LOSS) FOR THE YEAR			(72,132)	(5,905,927)
Less: Provision for taxation:				
Current Tax		100,000		40,000
Deferred Tax		(2,468)		(1,045)
			97,532	38,955
PROFIT/(LOSS) AFTER TAXATION			(169,664)	(5,944,882)
Balance brought forward from Previous Year			(2,682,102)	3,262,780
PROFIT/(LOSS) CARRIED TO BALANCE SHEET			(2,851,766)	(2,682,102)
EARNING PER SHARE (Refer Note No. 5 in Schedule 'J')				
Basic and Diluted Earning Per Share			(0.85)	(29.73)
Face Value Per Share			100.00	100.00
NOTES ON ACCOUNTS	'J'			

The schedule referred to above and notes to accounts form an integral part of the Profit and Loss Account

As per our Report of even date.

For S. R. BATLIBOI & CO.
Firm Registration No. : 301003E
Chartered Accountants

per VIJAY MANIAR
Partner
Membership No. : 36738

Mumbai,
Date: 20 May 2010.

For and on behalf of the Board of Directors of
Kamaljyot Investments Limited

A. C. SHROFF
U. A. SHROFF
K. D. DABHOLKAR
Directors

Mumbai,
Date: 20 May 2010.

KAMALJYOT INVESTMENTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

		For the year ended 31st March, 2010 (Rupees) (Rupees)	For the year ended 31st March, 2009 (Rupees) (Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) before Tax and Extraordinary Items		(72,132)	(5,905,927)
Adjustments for:			
Share of loss in Partnership Firm		432	4,232
Depreciation		7,538	7,538
Provision for Diminution in value of long term investments		788,480	6,549,035
Loss on sale of Investments (Net)		481,300	—
Interest received		(221,386)	(228,438)
Dividend received		(1,102,978)	(536,507)
Excess Provision for other items		—	(494)
		(46,614)	5,795,366
Operating Profit before working capital changes		(118,746)	(110,561)
Adjustments for:			
Trade and other receivables & Loans & Advances		625,528	630,477
Trade Payables & other liabilities		(2,005,025)	2,008,921
		(1,379,497)	2,639,398
Cash generated from Operations		(1,498,243)	2,528,837
Direct taxes paid (Net)		(2,120)	51,773
Net cash from/(used in) Operating Activities (A)		(1,496,123)	2,477,064
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Investments		(7,129,265)	(8,805,000)
Sale of Investments		6,360,991	—
Sundry Loans given/returned		(800,000)	(150,000)
Interest received		193,877	228,438
Dividend received		1,102,978	536,507
Net cash from/(used in) Investing Activities (B)		(271,419)	(8,190,055)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		4,000,000	5,600,000
Net cash from/(used in) Financing Activities (C)		4,000,000	5,600,000
Net increase in cash and cash equivalents [A + B + C]		2,232,458	(112,991)
Cash and cash equivalents at the beginning of the year		326,754	439,745
Cash and cash equivalents at the end of the year		2,559,212	326,754
<div style="display: flex; justify-content: space-between;"> <div> <p>As per our Report of even date.</p> <p>For S. R. BATLIBOI & CO. Firm Registration No. : 301003E Chartered Accountants</p> <p>per VIJAY MANIAR Partner Membership No. : 36738</p> <p>Mumbai, Date: 20 May 2010.</p> </div> <div> <p>For and on behalf of the Board of Directors of Kamaljyot Investments Limited</p> <p>A. C. SHROFF U. A. SHROFF K. D. DABHOLKAR Directors</p> <p>Mumbai, Date: 20 May 2010.</p> </div> </div>			

KAMALJYOT INVESTMENTS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

SCHEDULE 'A'		As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
SHARE CAPITAL			
AUTHORISED			
1,99,982 (2009: 199,982) Equity Shares of Rs. 100/- each		19,998,200	19,998,200
18 (2009: 18) Redeemable Preference Shares of Rs. 100/- each		1,800	1,800
		20,000,000	20,000,000
ISSUED, SUBSCRIBED AND PAID-UP			
1,99,982 (2009: 199,982) Equity Shares of Rs. 100/- each, fully paid-up		19,998,200	19,998,200
(The entire equity share capital is held by the Holding Company, Excel Industries Limited and its nominees).			
TOTAL		19,998,200	19,998,200

SCHEDULE 'B'		As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
RESERVES AND SURPLUS			
CAPITAL REDEMPTION RESERVE			
Balance as per last balance sheet		1,800	1,800
GENERAL RESERVE			
Balance as per last balance sheet		5,000,000	5,000,000
PROFIT AND LOSS ACCOUNT		(2,851,766)	(2,682,102)
TOTAL		2,150,034	2,319,698

SCHEDULE 'C'		As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
UNSECURED LOANS			
From Excel Industries Limited, the Holding Company [Repayable within one year NIL (Previous Year: NIL)]		25,500,000	21,500,000
TOTAL		25,500,000	21,500,000

SCHEDULE 'D'		Rupees								
FIXED ASSETS										
Description of Assets	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	I	II	III	IV	V	VI	VII	VIII	IX	X
	As at 1st April, 2009	Additions during the year	Deductions during the year	As at 31st March, 2010	As at 1st April, 2009	Deductions/ Adjustments	Provided during the year	As at 31st March, 2010	As at 31st March, 2010	As at 31st March, 2009
Computer	46,500	—	—	46,500	21,189	—	7,538	28,727	17,773	25,311
TOTAL	46,500	—	—	46,500	21,189	—	7,538	28,727	17,773	25,311
PREVIOUS YEAR	46,500	—	—	46,500	13,651	—	7,538	21,189		

KAMALJYOT INVESTMENTS LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

SCHEDULE 'E'		Face Value Rupees	31st March, 2010		31st March, 2009	
INVESTMENTS (AT COST)			Number	Rupees	Number	Rupees
OTHER THAN TRADE INVESTMENTS:						
1. LONG-TERM INVESTMENTS:						
(a) INVESTMENT IN SHARES (QUOTED):						
FULLY PAID-UP EQUITY SHARES OF:						
Aimco Pesticides Limited	10	10,075	102,000	10,075	102,000	
Transpek Industry Limited (Refer Note No. 2 below)	10	521,493	38,207,888	411,812	31,078,623	
Astra Microwave Products Limited	2	1,000	163,952	1,000	163,952	
Bayer Cropscience Limited	10	8	827	8	827	
Carborundum Universal Limited	2	1,000	177,185	1,000	177,185	
Elgi Rubber Company Limited (Formerly, Elgi Tread India Limited)	1	5,000	195,851	5,000	195,851	
Gujarat Lease Financing Limited	10	375	57,675	375	57,675	
Gujarat State Financial Corporation	10	4,700	94,000	4,700	94,000	
Hindalco Industries Limited	1	1,000	183,532	1,000	183,532	
Indokem Limited	10	100	2,100	100	2,100	
Lloyds Finance Limited	10	420	16,660	420	16,660	
Mangalore Chemicals & Fertilizers Limited	10	10,000	426,746	10,000	426,746	
Monsanto India Limited	10	5	2,691	5	2,691	
Navin Fluorine International Limited	10	300	113,240	300	113,240	
Reliance Communication Limited	5	400	265,115	400	265,115	
Shah Foods Limited	10	1,000	10,000	1,000	10,000	
Sona Koyo Steering Systems Limited	1	4,000	136,332	4,000	136,332	
Sterlite Industries Limited	2	400	323,322	400	323,322	
Syngenta India Limited	5	5	614	5	614	
Treadsdirect Limited	1	10,000	—	10,000	—	
Ultratech Cements Limited	10	785	796,026	785	796,026	
Uniphos Enterprises Limited	2	100	518	100	518	
V. I. P Industries Limited	10	800	105,674	800	105,674	
Zenith Birla India Limited	10	101	33,750	101	33,750	
			41,415,698		34,286,433	
Less: Provision for diminution in value of investments			912,654		2,022,538	
	(A)		40,503,044		32,263,895	
(b) INVESTMENT IN SHARES (UNQUOTED):						
FULLY PAID-UP EQUITY SHARES OF:						
Alpic Finance Limited	10	1,000	100,000	1,000	100,000	
Ashok Organic Industries Limited	10	4,900	784,000	4,900	784,000	
Excel Bio Resources Limited	10	250,000	2,500,000	250,000	2,500,000	
Parul Chemicals Limited	10	—	—	279,850	6,842,291	
Romvijay Biootech Private Limited	10	10,812	5,025,000	10,812	5,025,000	
TML Industries Limited (Formerly, Transmetal Limited)	10	31,750	974,725	31,750	974,725	
Vishwakarma Finance and Asset Management Services Limited	10	30,000	200,000	30,000	200,000	
			9,583,725		16,426,016	
Less: Provision for diminution in value of investments			8,409,000		6,510,636	
	(B)		1,174,725		9,915,380	
2. Capital contribution in M/s. Multichem Industries, a partnership firm, in which the Company is a partner (Refer Note No. 3 below)						
	(C)		200,000		200,000	
TOTAL (A+B+C)			41,877,769	42,379,275		
Notes:						
1. (a) Aggregate of Quoted Investments:						
Long Term Investments:						
Cost (Net of provision for diminution)			40,503,044	32,263,895		
Market Value			35,724,138	20,579,787		
(b) Aggregate of Unquoted Investments:						
Cost (Net of provision for diminution)			1,174,725	9,915,380		

KAMALJYOT INVESTMENTS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

<p>SCHEDULE 'E' (Contd.)</p> <p>2. The following number of shares of Transpek Industry Limited, aggregating to 2,91,000 shares, have restriction on their transfer, due to lock-in period applicable to them, in terms of the Scheme of Issue of equity shares on a preferential basis, in accordance with the guidelines of SEBI, and the Listing Agreement entered into between Transpek Industry Limited and Bombay Stock Exchange.</p> <p>(a) 84,319 equity shares of Rs. 10/- each are locked-in for a period upto 22nd March, 2011.</p> <p>(b) 97,000 equity shares of Rs. 10/- each are locked-in for a period upto 24th March, 2012.</p> <p>(c) 1,09,681 equity shares of Rs. 10/- each are locked-in for a period upto 26th May, 2012.</p> <p>3. Details of investment in M/s. Multichem Industries, a partnership firm:</p>			
	<p style="text-align: center;">As at 31st March, 2010</p> <p style="text-align: center;">Capital Share of Profit or Loss</p>	<p style="text-align: center;">As at 31st March, 2009</p> <p style="text-align: center;">Capital Share of Profit or Loss</p>	
<u>Name of the Partners</u>	<p style="text-align: center;">Rupees %</p>	<u>Rupees</u>	<u>%</u>
(a) Excel Crop Care Limited	200,000 50	200,000	50
(b) Kamaljyot Investments Limited	200,000 50	200,000	50
	400,000 100	400,000	100

SCHEDULE 'F'	As at 31st March, 2010	As at 31st March, 2009
CASH AND BANK BALANCES	Rupees	Rupees
Bank Balance with a Scheduled Bank:		
In Current Account	2,559,212	326,754
TOTAL	2,559,212	326,754

SCHEDULE 'G'	As at 31st March, 2010	As at 31st March, 2009
OTHER CURRENT ASSETS	Rupees	Rupees
Prepaid Expenses	8,000	556
Share Application Money	—	630,500
Interest accrued but not due	27,509	—
TOTAL	35,509	631,056

SCHEDULE 'H'	As at 31st March, 2010	As at 31st March, 2009
LOANS AND ADVANCES	Rupees	Rupees
Unsecured and considered good:		
1. Loan to Companies	2,800,000	1,700,000
2. Loan to Others	350,000	650,000
3. Advance Taxation [Net of Provision Rs. 260,000 (Previous Year: Rs. 160,000)]	89,145	191,265
4. Advance recoverable in cash or in kind	—	2,472
TOTAL	3,239,145	2,543,737

SCHEDULE 'I'	As at 31st March, 2010	As at 31st March, 2009
CURRENT LIABILITIES	Rupees	Rupees
1. Sundry Creditors – [Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises] (Refer Note No. 9 in Schedule 'J')	48,120	53,145
2. Advance against Proposed Sale of Shares	—	2,000,000
3. Current account in M/s. Multichem Industries	27,930	27,498
TOTAL	76,050	2,080,643

KAMALJYOT INVESTMENTS LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'J'

NOTES ON ACCOUNTS:

1. NATURE OF OPERATIONS:

Kamaljyot Investments Limited is engaged in activities of Investment Holding and Financing.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of preparation:

The financial statements have been prepared to comply in all material respects with the Accounting Standard notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(b) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) Revenue recognition:

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

(d) Fixed Assets and Depreciation:

(i) Fixed Assets:

Fixed Assets are stated at cost less depreciation.

(ii) Depreciation:

Depreciation has been provided on straight line basis at the rate specified in Schedule XIV to the Companies Act, 1956.

(e) Investments:

Long-term investments are carried at cost of acquisition. However, the carrying amount is reduced to recognise a decline, other than temporary, in the value of long-term investments by a charge to the Profit and Loss Account.

(f) Earnings per Share:

Basic earnings per share are calculated by dividing the net Profit or Loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(g) Taxation:

Income-tax expense comprises of current tax and deferred tax charge or credit.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961, enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax charge or credit is recognised using current tax rates. Deferred Tax asset is recognised only if there is sufficient evidence that future taxable income will be available.

(h) Provisions:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

KAMALJYOT INVESTMENTS LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'J'			
NOTES ON ACCOUNTS (Contd.)			
	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees	
3. The Company has 50% ownership interest in M/s. Multichem Industries, a partnership firm registered in India. The proportionate interest of the Company in the said entity as per the latest available Balance Sheet as at 31st March, 2010, is as under:			
Assets	215,938	216,154	
Liabilities	—	—	
Income	—	—	
Expense	432	4,233	
4. Break-up of Deferred Tax Assets and Deferred Tax Liability:			
(a) Deferred Tax Assets	—	—	
(b) Deferred Tax Liability:			
Depreciation	5,124	7,592	
	Current Year Rupees	Previous Year Rupees	
5. Earning per share:			
(1) Profit/(Loss) after tax:	(169,664)	(5,944,882)	
Profit/(Loss) attributable to Equity Shareholders (A)	(169,664)	(5,944,882)	
(2) Weighted average number of Equity Shares outstanding (B)	199,982	199,982	
(3) Earning per Share (A)/(B)	(0.85)	(29.73)	
(4) Nominal Value of Equity Shares	100.00	100.00	
6. Auditors' Remuneration			
(i) As an Auditor: Audit Fees	44,120	44,120	
(ii) In other capacity: Fees for certification and other matters	—	11,796	
7. Related Party disclosures as required by Accounting Standard (AS) - 18 "Related Party Disclosures", notified by Companies (Accounting Standard) Rules, 2006 (as amended), are given below:			
(a) Relationships:			
1. Holding Company:			
Excel Industries Limited			
2. Associate Companies:			
RomVijay Bioo Tech Private Limited			
Excel Bio Resources Private Limited			
3. Joint Venture Concerns:			
Wexsam Limited, Hong Kong			
Multichem Industries (Partnership Firm)			
4. Enterprises over which key Management Personnel and their relatives have significant influence:			
Agrocel Industries Limited			
TML Industries Limited (Transmetal Limited)			
5. Key Management Personnel and their Relatives:			
(a) Key Management Personnel			
Shri Ashwin C. Shroff			
Smt. Usha A. Shroff			
Shri Ranjit G. Shroff			
Shri Kailas D. Dabholkar			
(b) Relatives of Key Management Personnel			
Shri Dipesh K. Shroff			
Shri Atul G. Shroff			
Shri Kantisen C. Shroff			

KAMALJYOT INVESTMENTS LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'J'

NOTES ON ACCOUNTS (Contd.)

The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transactions	Current Year (Rupees)				Previous Year (Rupees)			
	Holding Company	Associate Companies	Joint Venture Concerns	Other Related Concerns*	Holding Company	Associate Companies	Joint Venture Concerns	Other Related Concerns*
(1) Income								
Interest	—	—	—	221,386	—	—	—	228,438
Dividend	—	—	—	546,032	—	38,100	—	498,407
(2) Finance								
Loan taken	4,000,000	—	—	—	5,600,000	—	—	—
Loan given	—	1,100,000	—	—	—	—	—	—
Loan returned	—	—	—	—	—	—	—	500,000
(3) Outstandings as at the Balance Sheet Date								
Loan given	—	1,100,000	—	1,700,000	—	—	—	1,700,000
Loan taken	25,500,000	—	—	—	21,500,000	—	—	—
Current Account with Partnership Firm	—	—	27,930	—	—	—	27,498	—

* Enterprises over which Key Management Personnel and their relatives have significant influence

Note: **Loans and advances in the nature of loans:**

	Current Year (Rupees)		Previous Year (Rupees)	
	Amount Outstanding at the Year end	Maximum amount Outstanding during the year	Amount Outstanding at the Year end	Maximum amount Outstanding during the year
(a) Holding Company				
Loan Taken:				
Excel Industries Limited	25,500,000	25,500,000	21,500,000	21,500,000
(b) Companies in which Directors are Shareholders/Member or Companies in which Directors are Director/Chairman				
Loan Given:				
Agrocel Industries Limited	1,700,000	1,700,000	1,700,000	2,200,000
Excel Bio Resources Limited	1,100,000	1,100,000	—	—

8. The Directors have waived the sitting fees for meetings attended by them during the year.
9. Based on the information available with the Company, there are no suppliers who are registered as micro or small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006", as at 31st March, 2010.
10. Disclosure in terms of Paragraph 13 of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

Particulars	(Rupees in lacs)	
	Amount Outstanding	Amount Overdue
Liabilities side:		
1. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	—	—
: Unsecured (other than falling within the meaning of public deposits*)	—	—
(b) Deferred Credits	—	—
(c) Term Loans	—	—
(d) Inter-corporate loans and borrowing	255.00	—
(e) Commercial Paper	—	—
(f) Public Deposits *	—	—
(g) Other Loans (Specify nature)	—	—
Total	255.00	—

* Please see Note 1 below

KAMALJYOT INVESTMENTS LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'J'

NOTES ON ACCOUNTS (Contd.)

	Amount Outstanding	(Rupees in lacs) Amount Overdue
2. Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	—	
(b) In the form of partly secured debentures i.e. debentures whereas there is a shortfall in the value of security	—	
(c) Other public deposits	—	
Assets side:		
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	—	
(b) Unsecured	31.50	—
4. Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities:		
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	—	
(b) Operating lease	—	
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	—	
(b) Repossessed Assets	—	
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	—	
(b) Loans other than (a) above	—	
5. Break-up of Investments:		
Current Investments:		
1. Quoted:		
(i) Shares:		
(a) Equity		—
(b) Preference		—
(ii) Debentures and Bonds		—
(iii) Units of mutual funds		—
(iv) Government Securities		—
(v) Others (please specify)		—
2. Unquoted:		
(i) Shares:		
(a) Equity		—
(b) Preference		—
(ii) Debentures and Bonds		—
(iii) Units of mutual funds		—
(iv) Government Securities		—
(v) Others (Please specify)		—

KAMALJYOT INVESTMENTS LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'J'

NOTES ON ACCOUNTS (Contd.)

	Amount Outstanding	(Rupees in lacs) Amount Overdue
Long Term Investments :		
1. Quoted:		
(i) Shares:		
(a) Equity		405.03*
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil
2. Unquoted:		
(i) Shares:		
(a) Equity		11.75*
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (Capital contribution in a partnership firm in which the Company is a partner)		2.00

* Net of provision for diminution

6. Borrower group-wise classification of assets financed as in (3) and (4) above:

Please see Note 2 below

Category		Amount net of provisions	(Rupees in lacs) Total
	Secured	Unsecured	
1. Related Parties **			
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Other related parties	—	28.00	28.00
2. Other than related parties	—	3.50	3.50
Total	—	31.50	31.50

**Please see note 3 below

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	—	—
(b) Companies in the same group	—	—
(c) Other related parties (Unquoted)	—	13.75
2. Other than related parties		
(a) Quoted	357.24	405.03
(b) Unquoted	—	—
Total	357.24	418.78

KAMALJYOT INVESTMENTS LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'J'

NOTES ON ACCOUNTS (Contd.)

** As per Accounting Standard of ICAI (Please see Note 3)

8. Other information:

Particulars

(i) Gross Non-Performing Assets	
(a) Related parties	—
(b) Other than related parties	—
(ii) Net Non-Performing Assets	
(a) Related parties	—
(b) Other than related parties	—
(iii) Assets acquired in satisfaction of debt	—

Notes:

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
 - Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
 - All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break-up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in Note (5) above.
11. Amounts of contracts remaining to be executed on Capital Investment as at year ended 31st March, 2010 is **Rs. Nil** (Previous Year: Rs. 64,98,765).
12. Previous year's figures have been regrouped/rearranged, wherever necessary to conform to this year's classification.

As per our Report of even date.

For S. R. BATLIBOI & CO.
Firm Registration No. : 301003E
Chartered Accountants

per VIJAY MANIAR
Partner
Membership No. : 36738

Mumbai,
Date: 20 May 2010.

For and on behalf of the Board of Directors of
Kamaljyot Investments Limited

A. C. SHROFF
U. A. SHROFF
K. D. DABHOLKAR
Directors

Mumbai,
Date: 20 May 2010.

KAMALJYOT INVESTMENTS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Additional Information pursuant to the Government of India's Notification No. G. S. R. 388 (E) dated 15-5-95.

I. Registration Details:		
(a)	Registration No.:	30597
(b)	State Code:	11
(c)	Balance Sheet Date:	31st March, 2010
II. Capital raised during the year:		
		(Rs. in Thousands)
(a)	Public Issue:	Nil
(b)	Rights Issue:	Nil
(c)	Bonus Issue:	Nil
(d)	Private Placement:	Nil
III. Position of Mobilisation and Deployment of Funds: (Rs. in Thousands)		
(a)	Total Liabilities:	47,653
(b)	Total Assets:	47,653
(c)	Sources of Funds:	
(i)	Paid-up Capital:	19,998
(ii)	Reserves & Surplus:	2,150
(iii)	Secured Loans:	Nil
(iv)	Unsecured Loans:	25,500
(v)	Deferred Tax Liabilities:	5
(d)	Application of Funds:	
(i)	Net Fixed Asset:	18
(ii)	Investments:	41,877
(iii)	Net Current Assets:	5,758
(iv)	Misc. Expenditure:	Nil
(v)	Accumulated Losses:	Nil
IV. Performance of the Company: (Amount in Rs. Thousands)		
(a)	Turnover (Gross Receipts):	1,324
(b)	Total Expenditure:	1,396
(c)	Profit before Tax:	(72)
(d)	Profit after Tax:	(170)
(e)	Earning per Share: (in Rs.)	(0.85)
(f)	Dividend Rate %	—
V. Generic names of Three Principal Products/Services of Company:		
	Product Description	Item Code No. (I.T.C. Code)
(1)	Investment holding	Not Applicable
(2)	Financing	Not Applicable
(3)	Bills Discounting	Not Applicable

For and on behalf of the Board of Directors of
Kamaljyot Investments Limited

A. C. SHROFF
U. A. SHROFF
K. D. DABHOLKAR
Directors

*Mumbai,
Date: 20 May 2010.*

EXCEL INDUSTRIES LIMITED

Registered Office:

184-87, SWAMI VIVEKANAND ROAD, JOGESHWARI (W), Mumbai-400 102.

PROXY FORM

DP ID*	
Client ID*	

Registered Folio No.	
----------------------	--

I/We.....
of.....
..... being a member/members of the abovenamed Company hereby appoint
..... of
..... or failing him/her
of.....
as my/our proxy to vote for me/us on my/our behalf at the FORTY-NINTH ANNUAL GENERAL MEETING of the Company to be held on Monday, the 19th July, 2010, and at any adjournment thereof.

Signed this day of 2010.

Signature

Affix
Revenue
Stamp

* Applicable for investors holding shares in electronic form.

N.B.: This proxy must be deposited at the Registered Office of the Company at 184-87, Swami Vivekanand Road, Jogeshwari (W), Mumbai-400 102, not less than 48 hours before the time of the meeting.



EXCEL INDUSTRIES LIMITED

Registered Office:

184-87, SWAMI VIVEKANAND ROAD, JOGESHWARI (W), Mumbai-400 102.

ATTENDANCE SLIP

49TH Annual General Meeting on Monday, 19th July, 2010

DP ID*	
Client ID*	

Registered Folio No.	
----------------------	--

Mr./Mrs./Miss.....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the FORTY-NINTH ANNUAL GENERAL MEETING of the Company held at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai-400 020 on Monday, the 19th July, 2010 at 3.00 p.m.

Member's/Proxy's name in BLOCK letters

Member's/Proxy's Signature

* Applicable for investors holding shares in electronic form.

Note: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.



**We, The Members Of Excel Parivar,
Visualise Excel,
As A Responsible, Respected And
Sound Corporate Citizen,
Serving India And World,
Through
Its Knowledge, Services, Products And Solutions,
Through Holistic Approach,
Integrating
Chemistry, Chemical Technology, Pharma Technology,
Biology, Soil Management, Water Management,
City And Farm Waste Management,
To Serve
Industry, Agriculture And Environment,
With
Growth, Value Addition, Wealth Generation,
Customer Joy, Investor Fulfillment, Society Satisfaction
And Enrichment Of Its People**



Excel Industries Limited

**184-87, Swami Vivekanand Road
Jogeshwari (West), Mumbai - 400 102 (INDIA)
Tel : 91-22-66464200/ 26788258
Fax : 91-22-26783657/ 3508
E-mail : excelmumbai@excelind.com
Website : www.excelind.co.in**