

EXCEL CROP CARE LIMITED

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GREEN INITIATIVE: Ministry of Corporate Affairs has taken a Green Initiative in Corporate Governance allowing paperless compliances by companies through electronic mode. Your Company has taken initiative to update their records for the same. The members holding shares in physical form and who have not furnished the requisite information and who wish to avail of the facility to receive the correspondence from the Company in electronic mode may furnish the information to Link Intime India Pvt. Limited, the Registrars and Transfer Agents. The members holding shares in electronic form may furnish the information to their Depository Participants to avail of the said facility.

*47th Annual General Meeting on Wednesday, 27th July, 2011 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 2010-11. 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.

EXCEL CROP CARE LIMITED

BOARD OF DIRECTORS

A. C. SHROFF, *Chairman*

DIPESH K. SHROFF, *Managing Director*

PRAKASH K. SHROFF, *Executive Director*

J. R. NAIK

MUKUL G. ASHER

SANDEEP JUNNARKAR

B. V. BHARGAVA

KEVIN MARTIN (*up to 24th May, 2011*)

SHARAD L. PATEL

VINAYAK B. BUCH

DEEPAK BHIMANI

NINAD D. GUPTA

L. RAJAGOPALAN, *Alternate to Dr. Mukul G. Asher (up to 27th October, 2010)*

VICE PRESIDENT (FINANCE & ACCOUNTS) & COMPANY SECRETARY

PRAVIN D. DESAI

BANKERS

Bank of India

Syndicate Bank

State Bank of India

Citibank N.A.

ICICI Bank Ltd.

AUDITORS

S. R. BATLIBOI & CO.

Chartered Accountants

REGISTERED OFFICE

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

CORPORATE OFFICE

13 & 14, Aradhana Industrial Development Corporation,
Near Virwani Industrial Estate,
Goregaon (East), Mumbai 400 063.

REGISTRARS AND TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound

LBS Marg, Bhandup (West)

Mumbai 400 078

Tel.: 2596 3838/0320

EXCEL CROP CARE LIMITED

NOTICE

NOTICE is hereby given that the FORTY SEVENTH ANNUAL GENERAL MEETING of the Members of EXCEL CROP CARE LIMITED will be held at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai-400020 on Wednesday, the 27th July, 2011, at 3.00 p.m. to transact the following business:

1. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March, 2011, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To declare a dividend.
3. To appoint a director in place of Mr. A. C. Shroff, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. J. R. Naik, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a director in place of Mr. Sharad L. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint auditors and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

7. To consider and, if thought fit, to pass, with or without modification, as an Ordinary Resolution, the following:
"RESOLVED THAT the consent of the Company be and it is hereby accorded in terms of Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) for the creation, from time to time, by the Board of such mortgages, charges and hypothecations (in addition to the mortgages/charges/hypothecations already created) in such form and manner and with such ranking as to priority and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company, both present and future, and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the financial institutions/banks/other lenders/trustees for the holders of debentures/bonds/other securities issued/to be issued by the Company from time to time, for securing the borrowings availed/to be availed by the Company by way of loan(s) (in foreign currency and/or Indian Rupee currency) or by way of issue of debentures/bonds/other securities, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other moneys payable by the Company in terms of the Loan Agreement(s)/Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agent(s)/Trustee(s), in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Lender(s)/Agent(s)/Trustee(s), provided that the total outstanding amount of all such borrowings together with interest, liquidated damages, commitment charges, premium on prepayment or redemption, other costs, charges and expenses shall not at any one time exceed the sum of ₹ 350 crores (Rupees Three Hundred and Fifty crores).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and it is hereby authorised to finalise, settle and execute such documents/ deeds/ writings/ papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges/hypothecations as aforesaid."

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.
Instruments appointing proxies should be deposited with the Company at its Registered Office not less than 48 hours before the commencement of the Meeting.
2. An Explanatory Statement relating to the Special Business under Item No. 7 of this Notice as required under Section 173(2) of the Companies Act, 1956, is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 16th July, 2011 to Wednesday, the 27th July, 2011 (both days inclusive).
4. Members are requested to notify immediately any change in their addresses to their Depository Participants (DPs) in respect of their electronic share accounts quoting Client ID No. and to Link Intime India Private Limited, the Company's Registrars and Transfer Agents in respect of their physical shares, quoting Folio No.
5. Payment of dividend as recommended by the Directors, if declared at the Meeting, will be made on or after Monday, the 1st August, 2011, to the Members whose names stand on the Company's Register of Members on Wednesday, the 27th July, 2011, and to the Beneficial Owner(s) as per the Beneficiary List at the close of business hours on Friday, the 15th July, 2011, provided by the National Securities and Depository Limited and Central Depository Services (India) Limited.
6. 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. Members holding shares in physical form and covered under the RBI Centres who have not furnished the requisite information and who wish to avail of the 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 the NECS mechanism.
7. 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 for the year 2003-04 onwards are given below:

Date of Declaration	Dividend for the year	Dividend ₹ Per Share	Due date of the proposed transfer to the Investor Education & Protection Fund
28.07.2004	2003-04	2.50	02.09.2011
12.09.2005	2004-05	3.75	18.10.2012
26.07.2006	2005-06	3.75	31.08.2013
30.07.2007	2006-07	3.75	04.09.2014
16.07.2008	2007-08	5.00	21.08.2015
17.07.2009	2008-09	5.00	22.08.2016
28.07.2010	2009-10	6.25	02.09.2017

Members who have not encashed the Dividend Warrants for the above years 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.

For and on behalf of the Board of Directors

A.C. SHROFF
Chairman

Registered Office:
184-87, Swami Vivekanand Road,
Jogeshwari (W),
Mumbai-400 102.
Mumbai, 25th May, 2011.

EXCEL CROP CARE LIMITED

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT RELATING TO ITEM NO. 7 PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

The Company from time to time borrows moneys through issue of debentures/bonds/other securities and/or by way of loans from the financial institutions/banks/ other lenders for the purpose of its business.

Several of the Company's existing and future borrowings are required to be secured by creating mortgages/charges/hypothecations on all or any of the movable or immovable properties of the Company, present and future, in favour of the financial institutions/banks/other lenders/ trustees for holders of debentures/bonds/other securities.

Such mortgage of and/or charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company, with a power to the charge holders to take over the management of the business and concern of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956. Hence, it is necessary for the Members to pass a resolution in terms of the said Section.

By an ordinary resolution passed by the members pursuant to Section 293(1)(a) of the Companies Act, 1956 at the Annual General Meeting held on 26th July, 2006, creation of mortgages, charges and hypothecations up to an amount not exceeding ₹ 250 crores outstanding at any one time was approved. In view of the increased business and borrowing requirements it is felt necessary to secure consent of the members for creation of mortgages, charges and hypothecations for an amount up to ₹ 350 crores outstanding at any one time.

The Board of Directors accordingly recommends the resolution set out at Item No.7 of the accompanying Notice for the approval of the Members.

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

For and on behalf of the Board of Directors

A.C. SHROFF
Chairman

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

Mumbai, 25th May, 2011.

EXCEL CROP CARE LIMITED

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting the Forty-Seventh Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

1. FINANCIAL RESULTS

The salient features of the Company's working are:

	2010-11	2009-10
		(₹ in Lacs)
Gross Profit for the year was	73,20.35	65,92.99
Less: Depreciation	10,95.08	8,82.91
Leaving a net profit subject to Taxation of	62,25.27	57,10.08
Less: Taxation (Current and Deferred Tax)	18,31.91	19,76.27
	43,93.36	37,33.81
Add/(Less): Prior Period Adjustments	(24.75)	9.63
	43,68.61	37,43.44
Add: Balance brought forward from the previous year	10,17.95	10,76.60
Leaving a balance available for disposal of	53,86.56	48,20.04
Appropriations:		
Proposed Dividend	4,12.71	6,87.85
Tax on Dividend	66.95	1,14.24
Transfer to General Reserve	30,00.00	30,00.00
	34,79.66	38,02.09
Carried forward to next year	19,06.90	10,17.95

2. DIVIDEND

Your Directors have recommended a dividend of 75% amounting to ₹ 3.75 per share of ₹ 5.00 each as compared to a dividend of 125% (₹ 6.25 per share) in the previous year.

3. OPERATIONS

During the year under review, the net sales increased from ₹ 620.41 crores in the previous year to ₹ 702.28 crores. Domestic sales increased from ₹ 403.96 crores in the previous year to ₹ 470.04 crores in the year under review whereas the export turnover increased from ₹ 216.45 crores to ₹ 232.24 crores.

The country received good rainfall in the year under review and the overall climatic conditions were conducive for the agrochemicals industry. Some of the countries which are the Company's export destinations faced erratic weather conditions which hampered growth of exports.

The Company's profit before tax in the year under review increased to ₹ 62.25 crores from ₹ 57.10 crores in the previous year.

4. NEW PRODUCTS/IMPROVEMENTS

The newly introduced acaricide is receiving good market response owing to its effectiveness in mite management. During the year under review, the Company introduced a new product in soil nutrition segment which also is well received.

During the year under review the Company expanded its weedicides and fungicide manufacturing capacities. The Company's focus on process improvement for improving yields, saving costs and reducing effluent continued during the year. The Company continues its efforts at energy conservation and energy cost reduction.

5. OUTLOOK

Growing population and the growing demand for food, increasing concern for food security, limitation on farmland availability and growth of horticulture and floriculture sectors are some of the major factors driving growth of agrochemicals industry. Shortage and increasing cost of farm labour is providing growth opportunity for weedicides growth. Governments continue to give focused attention to agriculture. Private investment in farming and rural sectors is also growing. Farmers are receiving attractive prices for their produce and are able to spend on quality farm inputs. The Indian agriculture sector and the rural economy continue to show steady growth. With one more near-normal monsoon forecast for the current year, the outlook for the agrochemicals industry appears reasonably good. The Company continues to focus on growth of its branded products. Exports continue to remain the focus area of growth for your Company with continued efforts to explore and penetrate new export markets.

6. ENDOSULFAN

Endosulfan, a broad spectrum, generic insecticide used globally for over 50 years, is one of the major products of the Company. In April, 2011, a writ petition was filed by Democratic Youth Federation of India before the Hon'ble Supreme Court against the Union of India and State Governments seeking a ban on Endosulfan citing health concerns. A trade association representing the agro-chemicals industry intervened in the petition on behalf of the industry. The Hon'ble Supreme Court opined that a detailed study on an all India basis needed to be undertaken by an Expert Committee to better address the said health concerns. By its ad-interim order dated 13th May, 2011, the Hon'ble Supreme Court has appointed a Joint Committee headed by the Director General of Indian Council of Medical Research and the Commissioner (Agriculture) to conduct a scientific study and submit its interim report within eight weeks. Pending submission of the interim report, the order banned the production, use and sale of Endosulfan till further orders.

In compliance with the ad-interim order of the Hon'ble Supreme Court, the Company immediately suspended production and sale of Endosulfan. As the ad-interim order has been issued during the peak sale season, the performance of the Company in the short term will be adversely affected. The Company is revising its sales plan and marketing strategy and is also undertaking other measures to mitigate the adverse impact.

The Company has made a provision of ₹ 10.20 crores in the Accounts out of abundant caution in respect of the inventory items relating to Endosulfan as at 31st March, 2011.

Earlier, in April, 2011 Endosulfan was listed under Annex A of the Stockholm Convention on persistent organic pollutants. Under the provisions of the Convention, the Government of India has indicated that the use of Endosulfan would be phased out over an eleven year period.

7. SAFETY, HEALTH AND ENVIRONMENT

The Company continues to play the role of a responsible corporate citizen in fulfillment of its aims of protecting and enriching the environment and human health and safety. The Company continues to hold and maintain ISO-14000 and

ISO-18001 certifications which benefit in terms of consistent product quality and healthy working environment at manufacturing sites. The Company also continues to sustain its SA 8000 – Certification for Social Accountability for all its sites. Safety and fire fighting training programmes and mock drills are conducted as a part of standard practice. All the manufacturing sites of the Company are covered by safety audit.

8. QUALITY

The Company continues to maintain ISO:9001-2008 Quality Management System for all its three manufacturing sites at Bhavnagar, Gajod and Silvassa. The quality of its products is maintained and upgraded to the applicable national and international quality standards through rigorous pursuit of Six Sigma initiative. The Company continues to enjoy the reputation of a consistent and reliable quality supplier and has received appreciation and awards from many of its esteemed customers.

9. EDUCATION, LEARNING AND HUMAN DEVELOPMENT

Human Resource is considered as the most valuable business asset by the Company. Your Company continues to invest in people through training and developmental efforts and by providing its employees opportunities to learn and upgrade their skills and acquire knowledge in related and new areas which contribute to the Company's performance. Training on safety, environmental care, customer service and employee welfare and development receive high priority. During the year under review, the Company conducted several training programmes and workshops on subjects like creating future leaders, team building and interpersonal relationship. The Company endeavours to ensure that it has requisite skills to meet with ever-changing and new business requirements.

Safety, health and caring for the environment have always been the focus of the Company. The Company vigorously pursues its initiatives for educating farmers and dealers in proper and safe handling and usage of its products. The Company continues to conduct programmes for providing the farmers with technical know-how and educating them on modern techniques of agriculture including crop management, soil management and judicious use of water, fertilisers and pesticides.

10. SOCIAL RESPONSIBILITY

The Company maintains its tradition of supporting activities, organisations and projects contributing to a wide range of socio-economic, educational and health initiatives and rural community development. The Company has identified soil health management, a major concern for the farming community, as a special focus area. Rural health, water management, water salinity prevention are the areas receiving your Company's attention as a part of its social responsibility. Your Company also actively promotes youth and child development, women empowerment initiative and sustainable farm practices. It also holds health check-up and blood donation camps and tree planting campaigns.

11. CHEMEXCIL AWARDS

During the year, CHEMEXCIL - Basic Chemicals, Pharmaceuticals & Export Promotion Council set up by the Ministry of Commerce, Government of India - conferred Lifetime Achievement Award to Mr. Kantisen C Shroff, the group's mentor and guide, for being a guiding force behind many technical breakthroughs in the field of agro chemicals crusading the cause of indigenisation and import substitution. CHEMEXCIL also awarded Trishul Award (Large Scale Sector) to the Company for its outstanding export performance in 2008-09.

12. INSURANCE

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

13. SUBSIDIARIES

Excel Crop Care (Africa) Limited was incorporated as a wholly owned subsidiary in Tanzania on 15th June, 2010. This subsidiary would focus on growing business in Africa which is an important market for the Company.

Excel Brasil Agronegocios Ltda. was incorporated as a wholly owned subsidiary in Brazil on 30th March, 2011 to focus on Brazil and other South American markets which are major market for the Company's exports.

Pursuant to a resolution passed by the Board of Directors of the Company in terms of a General Circular dated 8th February, 2011 issued by the Ministry of Corporate Affairs, the Financial Statements and the Reports of the Board of Directors and the Auditors of the Company's subsidiaries are not attached to this Annual Report. These documents shall be made available to the members on requisition. These are also available for inspection at the Registered Office of the Company and the respective subsidiaries and are also being posted on the Company's Website: <http://www.excelcropcare.com>

14. FIXED DEPOSITS

The Company has discontinued its Fixed Deposit Schemes. The amount of Fixed Deposits remaining unclaimed at the end of the year under review from out of the amount allocated to the Company pursuant to the Scheme of Arrangement with Excel Industries Limited is ₹ 1.57 lacs involving 13 depositors.

15. DIRECTORS

Mr. Kevin Martin resigned from the Board on 25th May, 2011. The Directors record their sincere appreciation of the valuable guidance and advice rendered by Mr. Martin in the deliberations of the Board.

Mr. A C Shroff, Mr. J R Naik and Mr. Sharad L Patel, Directors, retire by rotation at the ensuing Annual General Meeting of the Company and are eligible for re-appointment. The Board commends their re-appointment.

16. DIRECTORS' RESPONSIBILITY STATEMENT

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.

17. CORPORATE GOVERNANCE

Your Company is committed to the principles of good Corporate Governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the requirements of the Code of Corporate Governance as per Clause 49 of the Listing Agreements with the Stock Exchanges and, pursuant thereto, Management Discussion and Analysis, Corporate Governance Report and the Auditors' Certificate regarding compliance of the same are annexed as a part of this Annual Report.

18. PERSONNEL

The relations between the employees and the management continue to be cordial. Your Directors wish to place on record their appreciation of the sincere and devoted efforts of the employees and the management staff at all levels.

19. 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 the Companies (Particulars of Employees) Rules, 1975, regarding employees and forming part of this Report is furnished in the Annexures to this Report.

20. AUDITORS

Messrs S. R. Balliboi & Co., whose term of office as the Auditors of the Company will expire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment as Auditors of the Company.

Cost audit of cost records for insecticides/pesticides manufactured by the Company is carried out every year. For the financial year 2011-12, the Company has appointed Mr. Kishore A. Bhatia as the Cost Auditor to carry out audit of cost records for insecticides, pesticides and fertilisers manufactured and electricity generated by the Company. The Cost Audit Report for the financial year 2009-10, which was due to be filed on or before 30th September, 2010, was filed on 5th September, 2010 with the Ministry of Corporate Affairs.

21. CONSOLIDATED ACCOUNTS

The Auditors have commented in their Report on the Consolidated Accounts that the same have been prepared taking into account the unaudited financial statements for the year 2010-11 of Aimco Pesticides Limited, an associate company. The financial statements of the said company are under preparation and audit and the differences, if any, between the audited and the unaudited financial statements shall be dealt with in the Consolidated Accounts in the next financial year.

22. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the wholehearted co-operation received from the Company's Shareholders, Bankers, various authorities of the Governments and business associates.

For and on behalf of the Board of Directors

A. C. SHROFF
Chairman

Mumbai, 25th May, 2011

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, 2011.

Sr. No.	Name of the Employee	Designation/ Nature of duties	Remu- neration (₹)	Qualifications	Experi- ence (Years)	Date of com- mencement of employment	Age (Years)	Particulars of last employment
								Employer, last post and period for which post held
1.	Dipesh K. Shroff	Managing Director	75,07,600	Dip. in Civil Engineering	30	01.09.2003	51	Excel Industries Limited Joint Managing Director (3 years)
2.	Prakash K. Shroff	Executive Director	60,60,000	Dip. in Electrical Engineering	42	01.09.2003	65	Excel Industries Limited President (Agri Business) (3 years)

- Notes:
1. Remuneration mentioned above includes salary, commission, allowances, value of perquisites, Company's contribution to Provident Fund and Superannuation Fund but does not include contribution/provision towards Gratuity Fund.
 2. The nature of employment is contractual in both the above cases.
 3. The employees are not relatives of any other Directors of the Company.

For and on behalf of the Board of Directors

A. C. SHROFF
Chairman

Mumbai, 25th May, 2011.

EXCEL CROP CARE LIMITED

ANNEXURE TO DIRECTORS' REPORT

Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(A) CONSERVATION OF ENERGY

(a) *Energy Conservation Measures implemented in the recent past:*

Installation of energy efficient FRP fan blades and auto temperature control system in cooling towers.

Installation of energy efficient pumps to replace old pumps in refrigeration units.

Installation of energy efficient motors to replace old motors.

Optimisation of instrument air pressure.

Installation of solar water heating system to meet hot water requirement at manufacturing sites.

Installation of 'Light Emitting Diode' lighting in place of conventional lamps.

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

As a part of initiative to develop low carbon energy, the Company has invested in 1.8 MW Wind Mill set up in Kutch subsequent to the Balance Sheet date.

Replacement of existing agitators by energy efficient hydrofoil-type agitators.

Use of VFD in variable load.

Installation of voltage regulator for lighting.

Replacement of existing ejector systems by vacuum pumps to save power and steam and to reduce effluent load.

Enhancement in condensate recovery system.

Installation of solar concentrator for hot water generation.

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

The above measures of energy conservation have resulted in savings of power and fuel during the year under review.

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

	Current Year (2010-11)	Previous Year (2009-10)
A. Power and Fuel Consumption		
1. Electricity		
(a) Purchased		
Unit ('000 Kwh)	21,075 *	18,796 *
Total Amount (₹ in lacs)	12,69.08	11,69.28
Rate/Unit (₹)	6.02	6.22
(b) Own Generation		
(i) Through Diesel		
Generated Unit ('000 Kwh)	55	46
Units per Ltr. of Diesel Oil	2.98	2.48
Cost/Unit (₹)	13.84	15.01
(ii) Through Steam	Nil	Nil
(iii) Others (Through Windfarms)		
Generated Unit ('000 Kwh)	4,360	4,786
Total Cost (₹ in lacs)**	1,41.47	1,32.08
Rate/Unit (₹)	3.24	2.76
2. Coal		
Qty. (MT)	4,978.18	4,449.48
Total Amount (₹ in lacs)	2,60.83	2,10.30
Avg. Rate (₹/Kg.)	5.24	4.73

	Current Year (2010-11)	Previous Year (2009-10)
3. Fuel		
Qty. (KL)	571	286
Total Amount (₹ in lacs)	1,57.17	60.89
Avg. Rate (₹/Ltr.)	27.50	21.29
4. Lignite		
Qty. (MT)	5,835	6,441
Total Amount (₹ in lacs)	1,33.95	1,28.90
Avg. Rate (₹/Kg.)	2.30	2.00
5. Bio Fuel		
Qty. (MT)	–	100
Total Amount (₹ in lacs)	–	4.78
Avg. Rate (₹/Kg.)	–	4.78
6. Steam Purchased	Nil	Nil

Notes: * Exclusive of Units generated by Windfarms.

** Expenses include salaries, wages, insurance, depreciation and interest on loan to install wind mill(s), if any.

B. Consumption per ton of production

	Current Year (2010-11)										Previous Year (2009-10)									
	Furnace Oil		Lignite		Coal		Bio Fuel		Electricity		Furnace Oil		Lignite		Coal		Bio Fuel		Electricity	
	Ltr.	₹	Kg.	₹	Kg.	₹	Kg.	₹	Unit	₹	Ltr.	₹	Kg.	₹	Kg.	₹	Kg.	₹	Unit	₹
1. Pesticides	9	247	107	246	94	494	–	–	362	2181	8	173	138	275	98	467	2	10	349	2174
2. Pesticide Intermediates	40	1107	533	1223	408	2158	–	–	1951	11824	16	344	671	1343	441	2068	10	50	2092	13077

(B) TECHNOLOGY ABSORPTION

Form 'B' for disclosure of particulars with respect to Technology Absorption.

RESEARCH & DEVELOPMENT (R&D)

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

- Process development for high growth products in fungicides and weedicides segments.
- Development of new products in the fungicides and weedicides segments.
- Continuation of process development activity for existing products to further improve yields, quality, energy saving and reduce environmental load.
- Pursue green sustainable chemistry and development of eco-friendly formulations.
- Development of products to enhance soil productivity by carbon fixation in soil.
- Focus on bio efficacy under field conditions and generation of data for regulatory clearances for new products.

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

- Expansion of product range for the Company.
- Soil health management initiative and introduction of bio pesticides will help to improve soil, increase farm productivity and contribute towards carbon management.
- Investments in research track sprayer, greenhouse infrastructure coupled with agronomy, plant pathology and entomology laboratory would expedite product screening in order to offer safer and cost effective solutions to farmers.

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure & Developments:

The Company is engaged in the business of agrochemicals comprising insecticides, weedicides, fungicides, acaricides, fumigants and rodenticides. The Company's product basket also includes soil and plant nutrition products, bio-pesticides and plant growth promoters.

Among the agrochemicals, insecticides have dominated consumption pattern in India. However, their share is steadily declining year after year owing to introduction of genetically modified cotton and increasing consumption of weedicides and fungicides which are witnessing fast growth. Cotton, rice, wheat, soyabean, pulses, plantation crops, fruits and vegetables are the major consumers of agrochemicals. Of late, with growth of floriculture, this sector also is emerging as a significant consumer of agrochemicals in India. Food shortages, increasing food prices and growing concern for food security have underlined the importance of food crop farming. Agrochemicals play an important role in farming and food security.

The fortunes of the agrochemicals industry are interwoven with the fortunes of agriculture. With the relatively slow pace of agricultural growth in India, the agrochemicals industry too is growing at a low rate.

The industry comprises of diverse players ranging from small and medium ones dealing in generic molecules to large multinationals with high-priced new generation molecules and patented products.

The Indian industry has built up large capacities and has many manufacturers, especially in formulation business and has a fairly high level of competition. The seasonal nature of the business and the climatic uncertainties require the industry to carry a large inventory for long periods. Domestic market has been attracting attention of multinationals who visualise good growth opportunity. The domestic industry has been witness to a steady increase in market share by new generation and patented molecules.

Supply of high quality products at competitive prices, development of new products/formulations and large investment in product registration are emerging as key success factors.

The domestic industry is continuously striving to increase exports by providing quality products at competitive prices. Over the years, India has emerged as a significant supplier of agrochemicals in the international market. Globally the agrochemicals business is stable and growing only marginally leading to intense competition, especially in generic molecules segment, which manifests in dropping prices and declining industry margins.

2. Opportunities and Threats:

Agriculture is the mainstay of rural economy and supports over two-thirds of the country's population. It continues to receive governmental support in the form of favourable agriculture policies, minimum support price for major produces, subsidies, developmental programmes and schemes and availability of credit and finance through various schemes.

With attractive minimum support/open market prices for several crops, farmers are receiving remunerative prices for their produce and can afford to spend on quality farm inputs as well as for personal consumption. Private sector also visualises good growth potential for investment in agriculture and agro-based businesses. Rapidly developing food processing industry is helping in large measure the growth of the farming sector. Steady growth of the rural economy is another factor attracting the private sector to rural areas in general and to agriculture in particular.

It is estimated that India loses about 18% of its crops valued at about ₹ 900 billion owing to damages caused by pests. It is important to prevent or reduce such losses. Agrochemicals play a vital role in preservation of crops, growth of agriculture and ensuring food security.

With large food grain stocks being carried by the government organisations and the food processing industry, the importance of and the demand for post-harvest crop protection chemicals is rising. Several countries, including India, lose large foodgrain stocks owing to inefficient foodgrain storage practices. In the recent past, the Hon'ble Supreme Court has expressed strong resentment for such food grain losses especially when a significant number of the poor goes to sleep hungry. 'Post-harvest crop protection products' like fumigants and rodenticides play very important role in foodgrain preservation and are showing good growth in the past several years.

Pesticides consumption in India is very low by the world consumption standard and offers scope for increasing the same by making their judicious use. Amongst the States also there are large variations in per acre pesticide consumption.

All these factors underline the growth potential for agrochemicals in the domestic market.

Genetically modified (GM) cotton crop now dominates the cotton acreage in India and new improved GM varieties are being introduced at regular intervals. GM cotton has opened up opportunity for growth of weedicides and soil nutrition products though, it consumes lower dosage of insecticides.

The Company, with its vast experience in pest control practices, wide product range and efficient and effective distribution network, has been taking various steps like launching new products and formulations, introducing combi-products, improving processes to enhance yield and quality and reducing costs in order to maintain its leading position in the industry and stay competitive. The Company's weedicide product range is gaining new markets and customers and to meet with the increasing market demand the Company has been steadily expanding production capacity for weedicides and their formulations.

The Company's 'post-harvest crop protection products' are posting good growth in domestic and international markets. The Company has also been introducing new generation products and enlarging its product portfolio.

The Company strives at finding application of its products for the newer crops through research and field trials and thereby widen coverage for its existing products to more crops. The Company has been successfully penetrating new geographies in the domestic market. The Company's product portfolio also includes biological products such as soil and plant nutrition products, bio-pesticides and plant growth promoters. These products, though small in market size, have niche market position, hold good growth potential and play important role in the areas of plant and soil nutrition, organic farming and soil health management. The Company has made investment in a state of the art soil health research laboratory to analyse soil composition and assess soil health and to develop products for soil rejuvenation and nutrition.

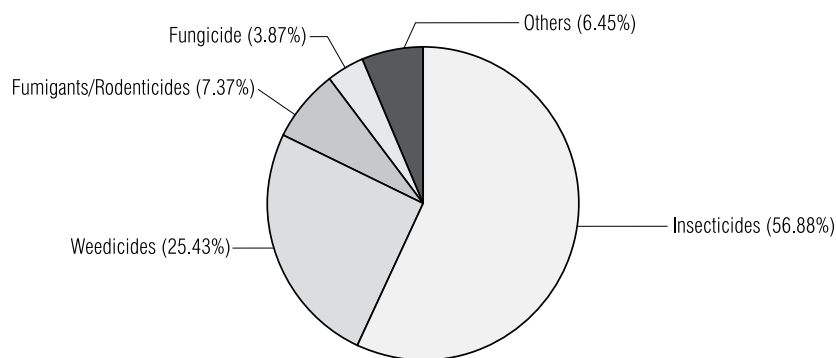
The export market continues to offer good growth opportunities. The Company has been strengthening its presence in the overseas market by exploring new markets, promoting existing and new products, especially branded ones, protecting its existing product registrations and making investment in new product registrations. The Company continues to explore opportunities in new international geographies and makes concerted efforts for product registration in these countries with a view to entering new markets. In 2010-11, the Company incorporated subsidiaries in Tanzania and Brazil to focus on African and South American businesses.

The issues related to the writ petition filed before the Hon'ble Supreme Court in respect of Endosulfan and the listing of Endosulfan under Annex A of the Stockholm Convention are discussed in this paper at a later stage under the heading 'Risks and Concerns'.

3. Segment-wise performance and outlook:

The Company's domestic sales increased from ₹ 403.96 crores in the previous year to ₹ 470.04 crores in the year under review. Exports increased from ₹ 216.45 crores in the previous year to ₹ 232.24 crores in the year under review.

Share of various product classes in the Company's sales turnover in 2010-11:



With increasing emphasis on agriculture in public policies, increasing purchasing power in the hands of farmers and near normal monsoon forecast, the current year outlook for the industry appears reasonably good.

Over the years, the Company has made sustained efforts at brand building which are yielding good results and today branded products dominate the Company's sales turnover accounting for about two-thirds of the turnover. Branded products, however, require higher investment in trade channel. The Company has a strong network of dedicated distributors and dealers many of whom have decades-long association with the Company. The Company has been quick in responding to the changing demand pattern related to retail packs and has created suitable packaging facilities.

The Company has been working closely with farmers in India and several other countries and provides them comprehensive package of products, services, knowledge and solutions.

The initiatives taken by the Company in promoting Integrated Pest Management (IPM) and Integrated Crop Management (ICM) and its investment in brand promotion, developing closer ties with farmers and corporate image building are helping it in maintaining leading position in the industry. The Company's recent initiative in soil health management is strengthening its ties with the farmers.

4. Risks and Concerns:

In the last two decades, the Indian economy has posted spectacular growth. However, the growth of agriculture which supports about 70% of the population but accounts for less than 25% of the GDP, is sluggish. This accordingly dictates the growth prospects of the agrochemicals industry.

The agrochemicals industry is directly affected by climatic conditions. Again, different climatic conditions throw up different and complex needs and requirements and the demand for different molecules and products changes accordingly. All these factors point to a high degree of uncertainties and complexities.

In 2010-11, erratic behaviour of monsoon and climate in different regions and times gave anxious moments to the farmers and common man. This resulted in loss of insecticides offtake to an extent but increased weedicides consumption. The Company posted higher sales volumes for all its mainline products in the domestic market.

The Company's exports grew by 7.29% in 2010-11. The growth would have been higher but for the unfavourable climatic conditions in some major countries.

Some of the developing countries in Asia, Africa and South America offer good export opportunities with attractive returns. However, these countries also pose increased credit and political risks.

Large capacity built up in the domestic industry leading to skewed demand – supply position and significant imports are leading to high competition, ultimately leading to undercutting of prices and gradually falling margins, high credit periods, higher levels of receivables and the attendant costs and risks.

Over the years the Company has established strong brand image of its products with farmers in India and several other countries. Of late, the Company has come across several instances of counterfeiting of its products and availability of products deceptively resembling the Company's branded products both in the domestic and some international markets. The Company has taken suitable legal measures to safeguard its brand, image and interests in the market place.

The Company is taking necessary measures to safeguard the environment in its area of operations and in educating dealers, farmers and users, in the safe and correct use of pesticides. The Company is also working closely with some voluntary agencies in addressing the issues relating to soil and water management which are of prime importance to the farmers and the nation.

Availability of cheap but spurious products in the market is a matter of concern to the industry. The negative image created in the public mind through misinformation campaign about the adverse impact of pesticides on food, water, environment and human health continues to be a serious cause of concern for the industry. The industry needs to effectively counter such campaign by putting forth in the right perspective the fact that the use of chemical pesticides (and chemical fertilizers) over the last several decades has resulted in manifold increase in food production to meet the needs of the large population which also increased manifold in this period. Organic farming cannot feed such a large population. The alleged ill-effects of chemical pesticides are owing to their overuse, unsafe use and improper handling. The need is to educate farmers and users

in the proper, safe and judicious use of chemical pesticides rather than abandoning them altogether - the modern world cannot live without chemical pesticides; they are vital to food security.

As stated in the Directors' Report, a writ petition was filed before the Hon'ble Supreme Court seeking a ban on Endosulfan citing health concerns. The Supreme Court, while appointing a Committee to conduct a scientific study to better address the said health concerns and directing the Committee to submit its interim report within eight weeks, passed an ad-interim order banning production, use and sale of Endosulfan. The Company has immediately suspended production and sale of Endosulfan. Suspension of sales during the peak season would adversely affect the Company's performance in the short term.

The Pesticides Manufacturers and Formulators Association of India, a trade body representing the agrochemicals industry, intervened in the said petition on behalf of the industry. In the past, several committees appointed by the Central Government have come to the conclusion that there is no linkage between the health problems and Endosulfan. Therefore, the industry has reasonable grounds to believe that the Hon'ble Supreme Court would give commensurate relief to it.

For long, Endosulfan had been under pressure at the Stockholm Convention on persistent organic pollutants. The Convention decided in April, 2011 to list Endosulfan in Annex A with specific exemptions. This decision would result in global phase out of production and sale of Endosulfan over a period of time. India has sought an overall period of eleven years for the phase out. Similarly, other countries also have to decide on phase out period as per the provisions of the Convention. Such decision by the countries which import Endosulfan from the Company would impact the Company's export performance.

5. Internal control systems and their adequacy:

The Company has proper and adequate system of internal controls which ensures that all the assets are safeguarded against loss from unauthorised use or disposition and that all transactions are authorised, recorded and reported correctly. The Company is in the process of documenting and wherever required improving upon/evolving and implementing standard operating practices for each of its major functional areas with a view to strengthen its internal control systems. The Company has assigned internal audit function to professional firms of Chartered Accountants. Regular internal audits and checks are carried out to ensure that the delegated responsibilities are discharged effectively and that adequate internal control systems are in place and functioning. All major findings and suggestions arising out of internal audit are reported to and reviewed by the Audit Committee. The Management ensures implementation of these suggestions and reviews them periodically. A strong internal audit system and an effective Audit Committee of the Board have led to the further strengthening of the internal controls within the organisation.

6. Financial Performance & Analysis:

The net sales increased from ₹ 620.41 crores in the previous year to ₹ 702.28 crores in the year under review. The profit before tax increased from ₹ 57.10 crores in the previous year to ₹ 62.25 crores in the year under review.

7. Human Resource Development/Industrial Relations:

The Company ensures that it has adequate human skills commensurate with its requirements. The Company continuously strives to upgrade skills and competence of its human resources. Measures for safety, training, welfare and development of employees receive top priority. Industrial relations continue to be cordial and harmonious.

The employee strength of the Company on 31st March, 2011 was 1166.

8. Cautionary Statement:

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, foreign exchange market movements, changes in Government regulations and tax structure, economic and political developments within India and the countries with which the Company has business and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

EXCEL CROP CARE LIMITED

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on the Code of Corporate Governance

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. The Corporate Governance Code has also been incorporated in Clause 49 of the Listing Agreements with the Stock Exchanges.

The Company endeavours not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the latest global trends 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 are actively involved in the deliberations of the Board on all important policy matters.

2. Board of Directors

The Board of Directors comprises one Managing Director, one Executive Director and ten Non-Executive Directors. The Company does not have any Nominee Director appointed by the Financial Institutions.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership/chairmanship in committees of other companies. The particulars of 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 the number of directorships/memberships of committees of other companies are as under:

NAME	CATEGORY	NO. OF BOARD MEETINGS ATTENDED DURING 2010-11	ATTENDANCE AT LAST AGM	NO. OF OTHER DIRECTORSHIPS IN COMPANIES INCORPORATED IN INDIA	NO. OF OTHER BOARD COMMITTEE OF WHICH HE IS MEMBER/ CHAIRMAN
Mr. A. C. Shroff Chairman	Promoter- Non Executive	8	Yes	11	1
Mr. Dipesh K. Shroff Managing Director	Promoter- Executive	8	Yes	16	2
Mr. Prakash K. Shroff Executive Director	Non-Independent- Executive	8	Yes	4	2
Mr. J. R. Naik	Non-Independent- Non-Executive	8	Yes	12	1
Dr. Mukul G. Asher	Independent- Non-Executive	6	No	–	–
Mr. Sandeep Junnarkar	Independent- Non-Executive	5	Yes	11	11
Mr. B. V. Bhargava	Independent- Non-Executive	7	Yes	9	9
Mr. Kevin Martin	Non Independent- Non-Executive	1	No	–	–
Mr. Sharad L. Patel	Independent- Non-Executive	8	Yes	5	–

NAME	CATEGORY	NO. OF BOARD MEETINGS ATTENDED DURING 2010-11	ATTENDANCE AT LAST AGM	NO. OF OTHER DIRECTORSHIPS IN COMPANIES INCORPORATED IN INDIA	NO. OF OTHER BOARD COMMITTEE OF WHICH HE IS MEMBER/ CHAIRMAN
Mr. Vinayak B. Buch	Independent-Non-Executive	5	No	2	2
Mr. Deepak Bhimani	Independent-Non-Executive	7	Yes	3	1
Mr. Ninad D. Gupte	Non-Independent - Non-Executive	8	Yes	6	3
Mr. L. Rajagopalan (Alternate to Dr. Mukul G. Asher from 01.04.2010 to 28.07.2010 and 08.09.2010 to 27.10.2010)	Independent - Non-Executive	N.A.	N.A.	—	—

The Company held 8 meetings of its Board of Directors during the year on the following dates:

26th May, 2010	30th June, 2010	28th July, 2010	8th September, 2010
27th October, 2010	16th December, 2010	25th January, 2011	30th March, 2011

3. Particulars of the Directors seeking Appointment/Re-appointment at the forthcoming Annual General Meeting

Name of the Director	Mr. A. C. Shroff
Date of Birth	22.01.1945
Date of Appointment	28.10.1975
Expertise in specific functional areas	Industrialist with vast experience in Chemicals and Agrochemicals Industry/Business
Qualifications	B.Sc.
Other Public Companies in which Directorship held	<ol style="list-style-type: none"> 1. Excel Industries Limited 2. Transpek Industry Limited 3. Transpek-Silox Industry Limited 4. Kamaljyot Investments Limited 5. Phthalo Colours & Chemicals (I) Limited 6. Waxsam Limited, Hong Kong 7. ECCL Investments and Finance Limited 8. Anuh Pharma Limited 9. Centre for Bharatiya Management Development (Section 25 Company) 10. Indian Centre for Climate and Societal Impacts Research (Section 25 Company) 11. Development & Eco-Friendly Enterprises (Section 25 Company) 12. Federation of Kutch Industries Association (Section 25 Company)

Other Public Companies in which membership of Committees of Directors held	Chairman of Remuneration Committee of Transpek-Silox Industry Limited.
No. of shares held in the Company as on 31st March, 2011	83,070

Name of the Director	Mr. J. R. Naik
Date of Birth	23.09.1958
Date of Appointment	01.02.2003
Expertise in specific functional areas	Accounting, Audit, Finance, Taxation, Corporate Law
Qualifications	F.C.A.
Other Public Companies in which Directorship held	<ol style="list-style-type: none"> 1. Punjab Chemicals & Crop Protection Ltd. 2. Acrysil Limited 3. Anshul Specialty Molecules Ltd. 4. Kutch Crop Services Ltd 5. ECCL Investments and Finance Ltd. 6. Agrocel Industries Limited 7. Divakar Chemicals Ltd. 8. Good Rasayan Ltd. 9. Excel Genetics Ltd. 10. Excel Industries (Europe) N V
Other Public Companies in which membership of Committees of Directors held	Member of Audit Committee of Punjab Chemicals & Crop Protection Ltd.
No. of shares held in the Company as on 31st March, 2011	75

Name of the Director	Mr. Sharad L. Patel
Date of Birth	25.11.1933
Date of Appointment	28.12.2004
Expertise in specific functional areas	Agricultural equipment business and equipment particularly related to plant protection
Qualifications	Master's degree in Mechanical Engineering from the University of Michigan, Ann Arbor, U.S.A.
Other Public Companies in which Directorship held	Aspee Agricultural Research and Development Foundation (Section 25 Company)
Other Public Companies in which membership of Committees of Directors held	Nil
No. of shares held in the Company as on 31st March, 2011	Nil

4. Shareholding of Non-Executive Directors as on 31st March, 2011

Sr. No.	Name of the Director	No. of Shares Held
1	Mr. A. C. Shroff	83,070
2	Mr. J. R. Naik	75
3	Mr. Ninad D. Gupte	120

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, Internal Auditors and Cost Auditors and fixation of their remuneration, to approve the appointment of the Chief Financial Officer, to review and discuss with the Auditors about the adequacy of internal control systems, the scope of Audit including the observations of the Auditors, major accounting policies, practices and entries, compliances with Accounting Standards and Listing Agreements with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, to review the Company's financial and risk management policies, Management Discussion and Analysis of financial condition and results of operations, the financial statements of the Company's Subsidiaries and discuss with Internal Auditors any significant findings for follow-up thereon and to review the Quarterly 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 and taken on record.

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

The Audit Committee of the Company presently comprises the following four Directors:

Mr. B. V. Bhargava, Chairman	Independent, Non-Executive Director
Mr. J. R. Naik, Member	Non-Independent, Non-Executive Director
Dr. Mukul G. Asher, Member	Independent, Non-Executive Director
Mr. Sharad L. Patel, Member	Independent, Non-Executive Director

Mr. Pravin D. Desai, Vice President (Finance & Accounts) and Secretary of the Company, acts as the Secretary to the Committee.

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

26th May, 2010	28th July, 2010	27th October, 2010	25th January, 2011
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Attendance at the Audit Committee Meetings during the last financial year was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. B. V. Bhargava	4	4
Mr. J. R. Naik	4	4
Dr. Mukul G. Asher	4	3
Mr. Sharad L. Patel	4	4

Audit Committee Meetings are also attended by senior finance and accounts executives, when required. Statutory Auditors, Internal 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, remuneration payable to the Managing Director and the Executive Director, to determine and advise the Board on the payment of annual increments and commission to the Managing Director and the Executive Director.

The Remuneration Committee presently comprises the following Independent Non-Executive Directors:

Mr. Sandeep Junnarkar, Chairman

Mr. B. V. Bhargava, Member

Mr. Sharad L. Patel, Member

A Meeting of the Remuneration Committee was held on 26th May, 2010 which was attended by all the members of the Committee.

Remuneration of Directors:

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

The Company pays remuneration to its Managing Director 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 Managing Director and the Executive Director. Commission payable to the Managing Director and the Executive Director is range bound not exceeding 24 months' salary and is calculated having regard 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 and 309 of the Companies Act, 1956. Non Whole-time Directors are paid a commission not exceeding in the aggregate 1% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 1956, in such proportion and manner as the Chairman may decide.

Given below are the details of remuneration of Directors for the financial year 2010-11.

Director	Sitting fees for Board/ Committee Meetings (₹)	Salaries and other perquisites (₹)	Other Remuneration (₹)	Commission (₹)	Total (₹)
Mr. A. C. Shroff	65,000	—	—	4,75,000	5,40,000
Mr. Dipesh K. Shroff	N. A.	53,57,600	—	21,50,000	75,07,600
Mr. Prakash K. Shroff	N. A.	38,10,000	—	22,50,000	60,60,000
Mr. J. R. Naik	85,000	—	28,75,000	20,00,000	49,60,000
Dr. Mukul G. Asher	45,000	—	—	4,25,000	4,70,000
Mr. Sandeep Junnarkar	30,000	—	—	1,75,000	2,05,000
Mr. B. V. Bhargava	60,000	—	—	4,25,000	4,85,000
Mr. Kevin Martin	—	—	—	—	—
Mr. Sharad L. Patel	90,000	—	—	3,00,000	3,90,000

Director	Sitting fees for Board/ Committee Meetings (₹)	Salaries and other perquisites (₹)	Other Remuneration (₹)	Commission (₹)	Total (₹)
Mr. Vinayak B. Buch	25,000	—	—	2,75,000	3,00,000
Mr. Deepak Bhimani	35,000	—	—	1,50,000	1,85,000
Mr. Ninad D. Gupte	40,000	—	—	4,75,000	5,15,000
Mr. L. Rajagopalan (Alternate to Dr. Mukul G. Asher)	—	—	—	3,00,000	3,00,000

Notes:

1. The employment of the Managing Director and the Executive Director is contractual for a period of five years and terminable by either party giving three months' notice.
2. Severance compensation is payable to the Managing Director and the Executive Director if their employment is terminated before the contractual period, subject to the provisions and limitations specified in Section 318 of the Companies Act, 1956.
3. Commission to Mr. Dipesh K. Shroff, Managing Director and Mr. Prakash K. Shroff, Executive Director pertains to the year 2010-11 and Commission to the Non-Executive Directors pertains to the year 2009-10 which has been paid in the year 2010-11.
4. Other remuneration to Mr. J R Naik represents his fees as Corporate Adviser. Mr. J R Naik's appointment as Corporate Adviser has been approved by the members of the Company by way of a Special Resolution.

7. Shareholders'/Investors' Grievance Committee

The Company has constituted Shareholders'/Investors' Grievance Committee to look into the investors' complaints and to redress the same expeditiously.

The Shareholders'/Investors' Grievance Committee of the Company consists of the following three Directors:

1. Mr. A. C. Shroff, Promoter, Non-Executive Director (Chairman)
2. Mr. J. R. Naik, Non-Independent, Non-Executive Director
3. Mr. Sharad L. Patel, Independent, Non-Executive Director

Mr. Pravin D. Desai, Vice President (Finance & Accounts) and Company Secretary, is designated as the Compliance Officer.

During the year, 23 complaints were received from investors, all of which were replied/resolved. There are no pending complaints as on 31st March, 2011.

8. General Meetings

Location and time of the last three Annual General Meetings:

Year	Location	Day/Date	Time	No. of Special Resolutions
2007-08	Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai – 400 020.	Wednesday, 16th July, 2008	3.00 p.m.	3
2008-09	do	Friday, 17th July, 2009	3.00 p.m.	—
2009-10	do	Wednesday, 28th July, 2010	3.00 p.m.	1

Share Price Movement for the period April, 2010 to March, 2011 of Excel Crop Care Limited (ECCL) vs BSE Sensex.

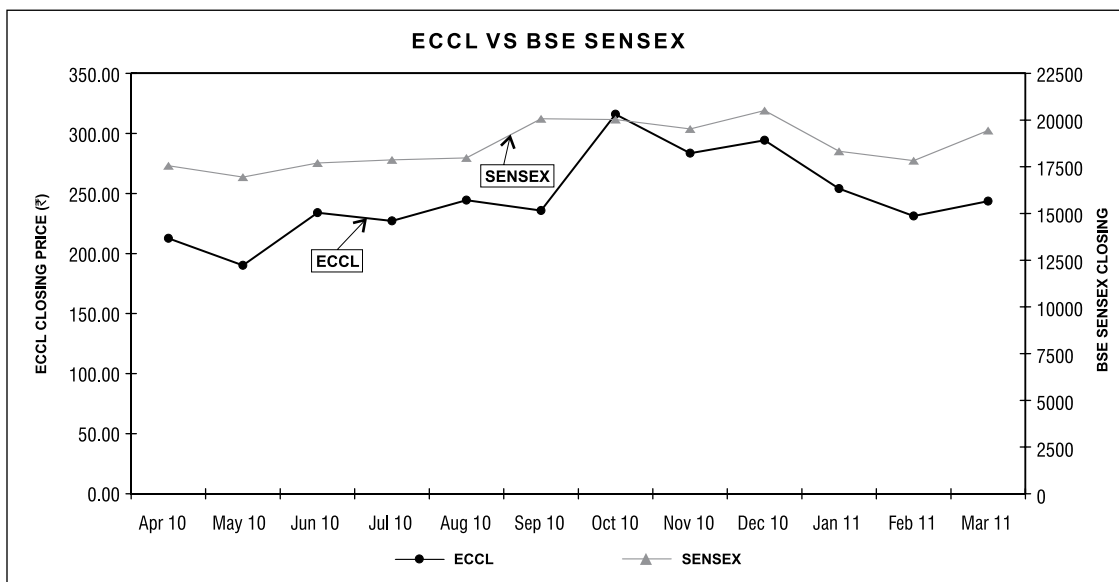
The Bombay Stock Exchange Limited (BSE)	532511
The National Stock Exchange of India Limited (NSE)	EXCELCROP
Demat ISIN Number in NSDL and CDSL	INE 223G01017

Share Price Movement for the period April, 2010 to March, 2011 of Excel Crop Care Limited (ECCL) vs BSE Sensex.

	The Bombay Stock Exchange Limited	
	High	Low
April, 2010	234.40	189.00
May, 2010	216.00	183.15
June, 2010	257.50	185.00
July, 2010	274.00	219.00
August, 2010	280.00	218.00
September, 2010	266.60	230.00
October, 2010	324.40	231.50
November, 2010	337.50	255.00
December, 2010	304.90	244.00
January, 2011	297.00	251.25
February, 2011	258.00	227.00
March, 2011	258.80	223.00

Share Price Movement for the period April, 2010 to March, 2011 of Excel Crop Care Limited (ECCL) vs BSE Sensex.

Share Price Movement for the period April, 2010 to March, 2011 of Excel Crop Care Limited (ECCL) vs BSE Sensex.



ċ rċ JĀ[Ā"ĈLĀ[Øāī"ĀĈ JĠāĈ" Óy The share transfer function is carried out by the Registrars and Transfer Agents – Link Intime India Private Limited. Share transfers in physical form can be lodged at their office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 (Tel: 25963838/0320) 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 authorised in this behalf.

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CATEGORY	NO. OF SHAREHOLDERS	PERCENTAGE	NO. OF SHARES	PERCENTAGE
1-500	14,265	88.78	19,07,160	17.33
501-1000	986	6.14	7,20,796	6.55
1001-2000	436	2.71	6,25,830	5.69
2001-3000	129	0.80	3,22,250	2.93
3001-4000	69	0.43	2,43,435	2.21
4001-5000	37	0.23	1,72,350	1.57
5001-10000	74	0.46	5,24,476	4.77
Above 10000	72	0.45	64,89,333	58.95
Total	16,068	100.00	1,10,05,630	100.00

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CATEGORY	NO. OF SHAREHOLDERS	VOTING STRENGTH %	NO. OF SHARES
Promoters	55	19.25	21,18,989
Insurance Companies	2	9.25	10,17,757
Foreign Company – Nufarm Limited, Australia	1	14.69	16,17,000
Indian Banks and Mutual Funds	18	2.72	2,99,707
Domestic Companies	381	4.68	5,15,221
Foreign Banks and Foreign Financial Institutions	15	3.21	3,53,210
Non Resident Individuals	192	1.35	1,48,029
Resident Individuals	15,404	44.85	49,35,717
Total	16,068	100.00	1,10,05,630

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77.81% of the Company's share capital is held in dematerialised form as on 31st March, 2011. The Company's shares are regularly traded on The Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

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The Company has initiated steps to implement the provisions of newly modified Clause 5A of the Listing Agreement in respect of Unclaimed Share Certificates for shares held in physical form. As on 31st March, 2011, 318 shareholders have not claimed Share Certificates for 44,588 shares.

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Factories:

(a) 6/2, Ruvapari Road,
Bhavnagar-364 005.

(b) Plot No. 60,
B Nanji Indl. Estate,
Kharadpada,
Silvassa-396230.

(c) Kaira Gajod High Way,
Gajod, Kutch.

Windmills:

(a) Plot No. A/2,
Village: Dhank,
Taluka: Upleta,
District: Rajkot.

(b) Survey No. 160
Village: Navadra,
Taluka: Kalyanpur,
District: Jamnagar.

(c) Survey No. 16/1
Village: Jodhapar,
Taluka: Kalyanpur,
District: Jamnagar.

(d) Survey Nos. 1180/14 and 1180/15
Village: Vandhiya,
Taluka: Bhachau,
District: Kutch.

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Registered Office:

Excel Crop Care Limited
184-87, Swami Vivekanand Road, Jogeshwari (West),
Mumbai-400 102.
Tel.: 022-6646 4200
Fax: 022-2678 3657

Corporate Office:

Excel Crop Care Limited
13 & 14, Aradhana Industrial Development Corporation,
Near Virwani Industrial Estate, Goregaon (East),
Mumbai-400 063.
Tel.: 022-4252 2200
Fax: 022-2871 3037

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M/s. Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai-400 078.
Tel.: 2596 3838/0320

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pravin@excelcropcare.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.

DIPESH K. SHROFF
Managing Director

*Mumbai,
25th May, 2011.*

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We have examined the compliance of conditions of corporate governance by Excel Crop Care Limited, for the year ended on 31 March 2011, 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

Place: Mumbai
Date: 25 May 2011

EXCEL CROP CARE LIMITED

FINANCIAL HIGHLIGHTS

(₹ in crores)									
	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
I. CAPITAL ACCOUNTS									
A. Share Capital	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	*5.50
B. Reserves	202.20	163.31	133.89	112.53	97.38	84.11	67.74	53.38	46.19
C. Shareholders' Funds (A+B)	207.70	168.81	139.39	118.03	102.88	89.61	73.24	58.88	51.69
D. Borrowings**	114.08	134.41	135.82	110.90	83.52	77.22	82.13	79.21	90.11
E. Fixed Assets									
i. Gross Block	192.97	172.73	157.09	137.38	121.18	112.84	101.22	96.05	86.50
ii. Net Block	120.94	109.58	101.78	89.46	79.56	72.89	61.59	57.61	51.16
F. Debt-Equity Ratio	0.55:1	0.80:1	0.97:1	0.94:1	0.81:1	0.86:1	1.12:1	1.35:1	1.74:1
II. REVENUE ACCOUNTS									
A. Sales Turnover @									
i. Domestic	470.04	403.96	391.55	309.44	258.28	262.43	252.07	193.85	189.31
ii. Exports	232.24	216.45	293.55	176.49	146.68	119.38	129.27	96.32	67.68
TOTAL	702.28	620.41	685.10	485.93	404.96	381.81	381.34	290.17	256.99
B. Profit before taxes	62.25	57.10	44.60	37.64	29.50	34.10	34.19	16.11	6.26
C. Return on Shareholders' Funds %	29.97	33.83	32.00	31.89	28.67	38.05	46.68	27.36	12.11
III. EQUITY SHAREHOLDERS' EARNINGS									
A. Earning per Equity Share @@	₹ 39.69	34.01	25.26	21.28	16.44	19.15	19.92	9.35	3.49
B. Dividend per Equity Share @@	₹ 3.75	6.25	5.00	5.00	3.75	3.75	3.75	2.50	1.50
C. Dividend Payout Ratio %	10.98	21.43	23.16	27.49	26.68	22.32	21.49	30.17	48.55
D. Net Worth per Equity Share @@	₹ 188.72	153.38	126.65	107.25	93.48	81.42	66.55	53.50	46.97
E. Market price of Share @@ as on 31st March	₹ 243.60	199.80	68.25	95.65	86.55	170.65	162.50	102.85	#112.40
* Includes Share Capital Suspense Account									
** Borrowings is net of Cash and Bank balance									
@ Sales Turnover for 2007-08 and subsequent years is net of volume based discounts/rebates									
@@ Equity Share of Face Value of ₹ 5/-									
# As on 9th December, 2003 – the first day of listing of shares after demerger									

EXCEL CROP CARE LIMITED

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

1. Names of the subsidiary company	Excel Industries (Australia) Pty Limited	Excel Industries (Europe) N. V.	ECCL Investments and Finance Ltd.	Excel Genetics Limited	Excel Crop Care (Africa) Limited
2. The financial year of the subsidiary company ended on	31st March, 2011	31st March, 2011	31st March, 2011	31st March, 2011	31st March, 2011
3. Date from which it became subsidiary	1st April, 2002*	1st April, 2002*	24th August, 2006	10th August, 2009	15th June, 2010
4. Shares of the subsidiary company held by Excel Crop Care Limited and its wholly owned subsidiary, at the end of the financial year of the subsidiary company —					
(a) Number and face value	25,000 Ordinary Shares of Aus. \$ 1/- each	100 Ordinary Shares of Euro 630/- each	50,000 Equity Shares of ₹ 10/- each	22,50,000 Equity Shares of ₹ 10/- each	1700 Equity Shares of Tanzania Shilling 1,00,000 each
(b) Extent of holding	100%	100%	100%	75%	100%
5. Net aggregate profits/losses of the subsidiary company, so far as it concerns the members of Excel Crop Care Limited —					
(a) not dealt with in the accounts of Excel Crop Care Limited for the year ended 31st March, 2011, amounted to:					
(i) for the subsidiary company's financial year ended as in (2) above since it became subsidiary	Aus. \$(-)13,607	Euro (-)44,522,87	₹ (-) 1,68,428	₹ (-) 63,73,058	TZS (-) 16,999,636
(ii) for previous financial years of the subsidiary company	Aus. \$ 1,58,279	Euro 1.613.817,39	₹ (-) 81,587	₹ (-) 25,79,211	N. A.
(b) dealt with in the accounts of Excel Crop Care Limited for the year ended 31st March, 2011, amounted to:					
(i) for the subsidiary company's financial year ended as in (2) above since it became subsidiary	NIL	NIL	NIL	NIL	NIL
(ii) for previous financial years of the subsidiary company	NIL	NIL	NIL	NIL	N. A.
6. The financial years of Excel Crop Care Limited and its subsidiary companies ended on 31st March, 2011 and hence no information pursuant to Section 212(5) is given.					
7. The Company has established Excel Brasil Agronegocios Ltda., a wholly owned subsidiary company, in Brazil on 30th March, 2011. The Company has not made any investments in the shares of the said subsidiary company. Excel Brasil Agronegocios Ltda., had no financial transactions during the year ended 31st March, 2011 and hence it has no Financial Statements for the said financial year.					
* Being the Date under the Scheme of Arrangement with Excel Industries Limited which became operative, from 1st September, 2003.					
		A. C. SHROFF <i>Chairman</i>		DIPESH K. SHROFF <i>Managing Director</i>	
		PRAKASH K. SHROFF <i>Executive Director</i>		J. R. NAIK <i>Director</i>	
		K. SRINIVASAN <i>Senior Vice President (Finance & Accounts)</i>		PRAVIN D. DESAI <i>Vice President (Finance & Accounts) & Company Secretary</i>	
Mumbai, 25th May 2011					

EXCEL CROP CARE LIMITED

AUDITORS' REPORT

To

The Members of Excel Crop Care Limited

1. We have audited the attached balance sheet of Excel Crop Care Limited ('the Company') as at 31 March 2011 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) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), 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 Act;
 - v. On the basis of the written representations received from the directors, as on 31 March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - 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 Act, 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 2011;
 - (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: 25 May 2011

EXCEL CROP CARE LIMITED

Annexure referred to in paragraph 3 of our report of even date

Re: Excel Crop Care Limited ('the Company')

- (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 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. No material discrepancies were noticed on such verification.
 - (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)

According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the Company and hence not commented upon.

According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (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 in respect of these areas.
- (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 and exceeding the 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)

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 Act, 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 Act related to the manufacture of insecticides 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 Act 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 material 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 (₹. in lacs)	Period to which amount pertains	Forum where dispute is pending
Income tax Act, 1961	Income-tax Demands	0.01	Assessment Year 2004–2005	Chief Commissioner of Income Tax, Mumbai
Income tax Act, 1961	Income-tax Demands	1.42	Assessment Year 2007–2008	Income Tax Appellate Tribunal, Mumbai
Central Excise Act, 1944	Excise Duty Demands	1.63	2007	Deputy Commissioner of Excise, Gajod
Central Excise Act, 1944	Excise Duty Demands	2.77	1994	Deputy Commissioner of Excise, Bhavnagar
Service Tax Rules	Service-tax Demands	32.68	2005–2006	Assistant Commissioner, Service Tax, Bhavnagar
Service Tax Rules	Service-tax Demands	1.77	2005–2006	Assistant Commissioner Service Tax, Mumbai
Service Tax Rules	Service-tax Demands	1.60	2008–2009	Deputy Commissioner Service Tax, Rajkot
Central Sales Tax Act, 1956	Sales-tax Demands	7.58	April 2008– June 2009	Commercial Tax Tribunal, Lucknow
Gujarat VAT Act, 2003	VAT Liability	52.95	2006–07	Joint Commissioner of Commercial Tax – Gujarat
Haryana VAT Act, 2003	VAT Liability	8.85	2007–08	Joint Excise and Taxation Commissioner (Appeals), Rohtak

- (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 Order 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 Order 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 Act.
- (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 year.

For S. R. BATLIBOI & CO.

Firm registration number: 301003E

Chartered Accountants

per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 25 May 2011

EXCEL CROP CARE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	(₹ in lacs)	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS:				
(a) Share Capital	'A'	5,50.28		5,50.28
(b) Reserves and Surplus	'B'	202,19.36		163,30.41
			207,69.64	168,80.69
2. DEFERRED GOVERNMENT GRANTS			39.41	46.73
3. LOAN FUNDS:				
(a) Secured Loans	'C'	87,02.00		50,02.75
(b) Unsecured Loans	'D'	35,56.51		95,31.82
			122,58.51	145,34.57
4. DEFERRED TAX LIABILITY (NET) (Refer Note No. 8 in Schedule 'T')			9,28.71	13,76.80
TOTAL			339,96.27	328,38.79
APPLICATION OF FUNDS				
1. FIXED ASSETS:	'E'			
(a) Gross Block		183,59.98		170,35.72
(b) Less: Accumulated Depreciation		72,03.36		63,15.62
(c) Net Block		111,56.62		107,20.10
(d) Capital Work-in-Progress including capital advances		9,37.11		2,37.45
			120,93.73	109,57.55
2. INTANGIBLE ASSETS	'F'		2,72.04	77.91
3. INVESTMENTS	'G'		7,21.26	2,65.95
4. CURRENT ASSETS, LOANS AND ADVANCES:				
(a) Inventories	'H'	139,54.62		142,98.27
(b) Sundry Debtors	'I'	149,84.10		164,74.49
(c) Cash and Bank Balances	'J'	8,50.10		10,93.85
(d) Other Current Assets	'K'	12,63.73		5,89.13
(e) Loans and Advances	'L'	35,67.53		44,16.20
	(A)	346,20.08		368,71.94
LESS: CURRENT LIABILITIES AND PROVISIONS:				
(a) Liabilities	'M'	117,66.77		134,05.94
(b) Provisions	'N'	19,44.07		19,28.62
	(B)	137,10.84		153,34.56
NET CURRENT ASSETS (A – B)			209,09.24	215,37.38
TOTAL			339,96.27	328,38.79
NOTES TO ACCOUNTS	'T'			
<p>The schedules 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 Number: 301003E Chartered Accountants.</p> <p>per VIJAY MANIAR Partner Membership No.: 36738 Mumbai 25 May 2011</p> <p>A. C. SHROFF Chairman</p> <p>PRAKASH K. SHROFF Executive Director</p> <p>K. SRINIVASAN Senior Vice President (Finance & Accounts) Mumbai 25 May 2011</p> <p>DIPESH K. SHROFF Managing Director</p> <p>J. R. NAIK Director</p> <p>PRAVIN D. DESAI Vice President (Finance & Accounts) & Company Secretary</p>				

EXCEL CROP CARE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	(₹ in lacs)	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
INCOME				
Sale of Products (Gross)		749,01.65		650,82.89
Less: Excise Duty (Refer Note No. 9 of Schedule 'T')		46,73.95		30,42.16
			702,27.70	620,40.73
Other Income from Operations	'O'		28,87.20	22,75.00
Other Income	'P'		1,70.00	1,40.17
			732,84.90	644,55.90
EXPENDITURE				
Manufacturing and Other Expenses	'Q'	642,09.56		585,72.88
(Increase)/Decrease in Stocks	'R'	7,68.56		(16,96.77)
Depreciation		10,95.08		8,82.91
Amortisation of Intangible Assets		1,71.05		87.13
Interest	'S'	8,15.38		8,99.67
			670,59.63	587,45.82
PROFIT BEFORE TAXATION			62,25.27	57,10.08
Less: Provision for Taxation:				
Current Tax		22,80.00		19,77.00
Deferred Tax		(4,48.09)		(0.73)
			18,31.91	19,76.27
PROFIT AFTER TAXATION BUT BEFORE PRIOR PERIOD ADJUSTMENTS			43,93.36	37,33.81
Less: Prior Period Adjustments (Net)				
(a) Taxation		(0.17)		(52.93)
(b) Others [Net of Tax ₹ 16.64 lacs (Previous Year: ₹ 28.58 lacs)]		24.92		43.30
			24.75	(9.63)
NET PROFIT			43,68.61	37,43.44
Balance brought forward from previous year			10,17.95	10,76.60
PROFIT AVAILABLE FOR APPROPRIATION			53,86.56	48,20.04
Less: Appropriations:				
(a) Proposed Dividend		4,12.71		6,87.85
(b) Tax on Distributed Profits		66.95		1,14.24
(c) Transfer to General Reserve		30,00.00		30,00.00
			34,79.66	38,02.09
Surplus carried to Balance Sheet			19,06.90	10,17.95
			₹	₹
EARNINGS PER SHARE (Refer Note No. 14 in Schedule 'T')				
Basic and Diluted Earnings Per Share			39.69	34.01
Face Value per Share			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 Number: 301003E
Chartered Accountants.

per VIJAY MANIAR
Partner
Membership No.: 36738

Mumbai
25 May 2011

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Executive Director

K. SRINIVASAN
Senior Vice President
(Finance & Accounts)

Mumbai
25 May 2011

DIPESH K. SHROFF
Managing Director

J. R. NAIK
Director

PRAVIN D. DESAI
Vice President (Finance &
Accounts) & Company Secretary

EXCEL CROP CARE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and Prior Period Adjustments		62,25.27		57,10.08
Adjustments for:				
Depreciation	10,95.08		8,82.91	
Amortisation of Intangible Assets	1,71.05		87.13	
Bad Debts/Sundry Debit Balances written off	1,20.19		1,34.35	
Provision for Doubtful Debts	1,20.31		1,67.95	
Sundry Credit Balances Written Back	(2,94.34)		(2,01.51)	
Loss/(Profit) on sale/disposal of Fixed Assets	(25.44)		5.27	
Assets written off	47.89		21.11	
Provision for Gratuity	4,41.72		4,09.60	
Provision for Employee Leave Benefits	2,22.63		1,90.30	
Provision for Inventory	10,20.00		—	
Provision for Diminution in value of long-term investments	—		87.21	
Provision for Diminution in value of investments written back	(25.00)		—	
Interest received	(48.95)		(30.24)	
Dividend Received on other investments	(2.89)		(0.05)	
Interest paid	8,15.38		8,99.67	
Exchange Difference on loans taken	44.46		87.10	
Short/(Excess) Provision for other items (Net)	(2,05.18)		(8.73)	
Income in respect of Government Grant	(7.32)	34,89.59	(7.32)	27,24.75
Operating Profit before working capital changes		97,14.86		84,34.83
Adjustments for:				
Decrease/(Increase) in Sundry Debtors	12,49.89		(33,97.56)	
Decrease/(Increase) in Inventories	(6,76.35)		(12,98.13)	
Decrease/(Increase) in Other Current Assets	(6,73.36)		2,13.96	
Decrease/(Increase) in Loans and Advances	8,33.15		(5,28.45)	
Increase/(Decrease) in Current Liabilities & Provisions	(17,51.78)	(10,18.45)	23,70.75	(26,39.43)
Cash generated from Operations		86,96.41		57,95.40
Direct taxes paid		19,88.98		22,28.69
Cash flow before Prior Period Adjustments		67,07.43		35,66.71
Prior Period Adjustments		(24.92)		(43.30)
Net cash from Operating Activities	(A)	66,82.51		35,23.41

EXCEL CROP CARE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011 (Cont'd.)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
	(₹ in lacs)	(₹ in lacs)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(23,18.71)	(17,18.76)
Purchase of Intangible Assets	(3,65.18)	(56.45)
Sale of fixed assets	65.00	30.17
Purchase of Investments in Subsidiaries	(2,61.12)	(15.00)
Purchase of Other Investments	(13,69.19)	(0.02)
Sale of Investments	12,00.00	—
Loans given	(4.48)	(15.70)
Loans recovered	20.00	—
Interest received	47.71	26.89
Dividend received	2.89	0.05
Net cash used in Investing Activities (B)	(29,83.08)	(17,48.82)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	238,41.38	236,58.62
Repayment of borrowings	(261,61.90)	(240,08.60)
Interest paid	(8,26.82)	(9,08.45)
Dividend Paid	(6,81.60)	(5,44.11)
Tax on distributed Profits	(1,14.24)	(93.52)
Net cash used for Financing Activities (C)	(39,43.18)	(18,96.06)
Net increase in cash and cash equivalents (A+B+C)	(2,43.75)	(1,21.47)
Cash and cash equivalents at the beginning of the year	10,92.85	12,14.32
Cash and cash equivalents at the end of the year	8,49.10	10,92.85
Components of Cash and Cash equivalents (as per Schedule 'J')		
Cash on hand	5.68	5.04
With banks:		
(a) on current account	8,02.56	10,53.14
(b) on deposit account	1.00	1.00
(c) unpaid dividend accounts *	40.86	34.67
Sub Total	8,50.10	10,93.85
Less: Fixed Deposit not considered as cash equivalents	1.00	1.00
	8,49.10	10,92.85
Cash & Cash Equivalents in Cash Flow Statement:	8,49.10	10,92.85
* These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.		
As per our Report of even date. For S. R. BATLIBOI & CO. <i>Firm Registration Number: 301003E</i> Chartered Accountants. per VIJAY MANIAR Partner Membership No.: 36738 Mumbai 25 May 2011	A. C. SHROFF Chairman PRAKASH K. SHROFF Executive Director K. SRINIVASAN Senior Vice President (Finance & Accounts) Mumbai 25 May 2011	DIPESH K. SHROFF Managing Director J. R. NAIK Director PRAVIN D. DESAI Vice President (Finance & Accounts) & Company Secretary

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised:		
1,20,00,000 (Previous Year: 1,20,00,000) Equity Shares of ₹ 5/- each	6,00.00	6,00.00
	6,00.00	6,00.00
Issued, Subscribed and Paid-up:		
1,10,05,630 (Previous Year: 1,10,05,630) Equity Shares of ₹ 5/- each fully paid-up	5,50.28	5,50.28
TOTAL	5,50.28	5,50.28
Note:		
Of the above,		
(a) 92,000 (Previous Year: 92,000) Equity Shares of ₹ 5/- each fully paid-up have been issued by way of Bonus Shares by capitalisation of the surplus in the Profit and Loss Account.		
(b) 1,09,05,630 (Previous Year: 1,09,05,630) Equity Shares of ₹ 5/- each fully paid-up have been issued pursuant to a Scheme of Arrangement, without payments being received in cash.		
SCHEDULE 'B'		
RESERVES AND SURPLUS		
	(₹ in lacs)	(₹ in lacs)
1. General Reserve:		
Balance as per last Balance Sheet	153,12.46	123,12.46
Add: Transferred from Profit and Loss Account	30,00.00	30,00.00
	183,12.46	153,12.46
2. Profit and Loss Account	19,06.90	10,17.95
TOTAL	202,19.36	163,30.41
SCHEDULE 'C'		
SECURED LOANS		
	(₹ in lacs)	(₹ in lacs)
1. Long Term Loan from Bank (Refer Note No. 1 given below)	20,00.00	—
2. From Banks:		
(a) On Working Capital Demand Loan/Term Loan Accounts	4,00.00	20,00.00
(b) On Cash/Packing Credit Accounts	39,24.22	1,19.64
(c) Bills Discounting (Refer Note No. 2 given below)	23,09.58	27,70.09
(d) Under Vehicle Finance (Refer Note Nos. 2 and 3 given below)	—	16.75
	66,33.80	49,06.48
3. From Others under Vehicle Finance Scheme (Refer Note No. 3 given below)	68.20	96.27
TOTAL	87,02.00	50,02.75
Notes:		
1. Long Term Loan from Citi Bank N.A. is to be secured by first exclusive charge on Windmill to be installed in Kutch, Gujarat and specific Plant and Machinery of the Company.		
2. Loans from Banks on Cash Credit and Working Capital Demand Loan/Term Loan Accounts/Bills Discounting are secured by way of hypothecation of all tangible movable assets, both present and future, including stock of raw materials, finished goods, goods-in-process, stores, book debts etc.		
3. Term Loans under Vehicle Finance from a bank and from others for purchase of vehicles amounting to Nil (Previous Year: ₹ 16.75 lacs) and ₹ 68.20 lacs (Previous Year: ₹ 96.27 lacs) respectively are secured by an exclusive charge by way of hypothecation of cars purchased under the said Schemes.		

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'D' UNSECURED LOANS: Short Term Loans from Banks	As at 31st March, 2011 (₹ in lacs) 35,56.51 <hr/> 35,56.51	As at 31st March, 2010 (₹ in lacs) 95,31.82 <hr/> 95,31.82
TOTAL		

SCHEDULE 'E'

FIXED ASSETS

(₹ in lacs)

Sr. No.	Description of Assets	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
		As at 1st April, 2010	Additions during the year	Deductions during the year	As at 31st March, 2011	As at 1st April, 2010	Deductions/ Adjustments	Provided during the year	As at 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
I.	LAND - FREEHOLD	8,03.75	4.92	—	8,08.67	—	—	—	—	8,08.67	8,03.75
II.	LAND LEASEHOLD	0.69	—	—	0.69	—	—	—	—	0.69	0.69
III.	LEASEHOLD IMPROVEMENTS	1,76.79	6.99	—	1,83.78	14.63	—	36.05	50.68	1,33.10	1,62.16
IV.	BUILDINGS	15,18.20	1,71.48	—	16,89.68	2,63.22	—	37.86	3,01.08	13,88.60	12,54.98
V.	PLANT AND MACHINERY	125,73.37	11,54.70	1,70.87	135,57.20	50,41.38	1,23.42	8,08.68	57,26.64	78,30.56	75,31.99
VI.	ELECTRICAL INSTALLATIONS	3,40.23	0.90	1.46	3,39.67	1,61.94	0.31	14.57	1,76.20	1,63.47	1,78.29
VII.	LABORATORY EQUIPMENTS	64.17	19.26	0.69	82.74	53.52	0.62	3.11	56.01	26.73	10.65
VIII.	FURNITURE, FIXTURES AND OFFICE EQUIPMENTS	5,50.93	67.22	30.73	5,87.42	2,71.32	14.51	54.36	3,11.17	2,76.25	2,79.61
IX.	VEHICLES	9,96.68	1,93.58	82.29	11,07.97	5,02.66	62.70	1,39.90	5,79.86	5,28.11	4,94.02
X.	TECHNICAL BOOKS	10.91	—	8.75	2.16	6.95	5.78	0.55	1.72	0.44	3.96
TOTAL		170,35.72	16,19.05	2,94.79	183,59.98	63,15.62	2,07.34	10,95.08	72,03.36	111,56.62	107,20.10
PREVIOUS YEAR		155,52.49	16,38.26	1,55.03	170,35.72	55,31.19	98.48	8,82.91	63,15.62		
CAPITAL WORK-IN-PROGRESS (Refer Note No. 1 Below)										9,37.11	2,37.45
									TOTAL	120,93.73	109,57.55

NOTES:

- Capital Work-in-Progress includes Advance for Capital Expenditure ₹ 6,70.66 lacs (Previous Year: ₹ 2,32.18 lacs).
- Buildings include cost of shares in a Co-operative Housing Society: ₹ 0.01 lac (Previous Year : Nil)
- Expenditure on improvement to the leased property is depreciated over the lease period upto 60 months.

SCHEDULE 'F'

INTANGIBLE ASSETS

(₹ in lacs)

DESCRIPTION OF INTANGIBLE ASSETS	GROSS AMOUNT				AMORTISATION				NET AMOUNT	
	As at 1st April, 2010	Additions during the year	Deductions during the year	As at 31st March, 2011	As at 1st April, 2010	Deductions/ Adjustments	Provided during the year	As at 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
Data Registration Expenses	6,75.05	3,60.83	—	10,35.88	6,39.48	—	1,55.85	7,95.33	2,40.55	35.57
Computer Software/ Licence Fees	56.45	4.35	—	60.80	14.11	—	15.20	29.31	31.49	42.34
TOTAL	7,31.50	3,65.18	—	10,96.68	6,53.59	—	1,71.05	8,24.64	2,72.04	77.91
Previous Year	6,75.05	56.45	—	7,31.50	5,66.46	—	87.13	6,53.59		

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'G'	(₹ in lacs)	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
INVESTMENTS :			
LONG-TERM (AT COST)			
1. IN GOVERNMENT SECURITIES (Unquoted):			
National Saving Certificates		0.41	0.30
[Face value ₹ 0.41 lac (Previous Year: ₹ 0.30 lac)]			
(Deposited with Government Authorities)			
2. IN SUBSIDIARY COMPANIES (Trade Investments) (Unquoted) :			
(a) 25,000 (Previous Year: 25,000) Equity Shares of Australian Dollar 1 each fully paid-up in Excel Industries (Australia) Pty Limited	7.13		7.13
(b) 99 (Previous Year: 99) Equity Shares of Euro 630 each fully paid-up in Excel Industries (Europe) N.V.	25.04		25.04
(c) 50,000 (Previous Year: 50,000) Equity Shares of ₹ 10 each fully paid-up in ECCL Investments and Finance Limited	5.00		5.00
(d) 22,50,000 (Previous Year: 1,50,000) Equity Shares of ₹ 10 each fully paid-up in Excel Genetics Limited	2,25.00		15.00
(e) 1,699 (Previous Year: Nil) Equity Shares of Tanzanian Schillings 1,00,000 each fully paid-up in Excel Crop Care (Africa) Limited	51.12		—
		3,13.29	52.17
3. TRADE INVESTMENTS:			
Quoted:			
(a) 23,30,120 (Previous Year: 23,30,120) Equity Shares of ₹ 10 each fully paid-up in Aimco Pesticides Limited	5,99.58		5,99.58
(b) 1,45,760 (Previous Year: Nil) Equity Shares of ₹ 5 each fully paid-up in Excel Industries Limited	1,69.08		—
		7,68.66	5,99.58
Unquoted:			
(a) 4,00,000 (Previous Year: 4,00,000) Equity Shares of ₹ 10 each fully paid-up in Kutch Crop Services Limited	40.00		40.00
(b) 2,50,000 (Previous Year: 2,50,000) Equity Shares of ₹ 10 each fully paid-up in Excel Bio Resources Limited	25.00		25.00
		65.00	65.00
4. INVESTMENT IN SHARES (OTHER THAN TRADE):			
Quoted:			
339 (Previous Year: 339) Equity Shares of ₹ 10 each fully paid-up in Tata Steel Limited		0.44	0.44
5. OTHERS:			
Capital contribution in M/s. Multichem Industries, a partnership firm in which the Company is a partner (Refer Note No. 4 below):	2.00		2.00
		2.00	2.00
		11,49.80	7,19.49
Less: Provision for Diminution in long-term Investments		4,28.54	4,53.54
TOTAL		7,21.26	2,65.95
Notes:			
1. Aggregate of Quoted Investments:			
Cost (Net of Provision for Diminution)		3,40.56	1,71.48
Market Value		3,12.90	1,96.71
2. Aggregate of Unquoted Investments:			
Cost (Net of Provision for Diminution)		3,78.70	92.47
3. Units of Mutual Fund purchased and sold during the year:			
(a) LICMF Liquid-Dividend Plan		2,00.00	—
18,23,073.805 (Previous Year: Nil) of ₹ 10 each			
(b) LICMF Income Plus Fund - Daily Dividend Plan		5,00.00	—
45,62,698.206 (Previous Year: Nil) of ₹ 10 each			
(c) DWS Insta Cash Plus Fund - Institutional Plan Daily Dividend - Re invest		2,00.00	—
19,92,948.609 (Previous Year: Nil) of ₹ 10 each			
(d) DWS Ultra Short Term Fund - Institutional Daily Dividend - Re invest		3,00.00	—
29,97,377.172 (Previous Year: Nil) of ₹ 10 each			
4. Details of investment in M/s Multichem Industries, a partnership firm:			
As at 31st March, 2011	As at 31st March, 2010		
Capital	Share of Profit	Capital	Share of Profit
Share of Profit	or Loss	or Loss	
(₹ in lacs)	%	(₹ in lacs)	%
(a) Excel Crop Care Limited	2.00	50	2.00
(b) Kamaljiyot Investments Limited	2.00	50	2.00
	4.00	100	4.00

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'H'	(₹ in lacs)	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
INVENTORIES (At cost or net realisable value, whichever is lower, except otherwise stated)			
1. Stores and Spares (including Fuel)		1,47.60	68.77
2. Containers		4,95.23	4,58.96
3. Stock-in-Trade:			
(a) Finished Products	69,43.54		69,89.98
(b) Semi-Finished Products	12,20.66		15,98.81
(c) Traded Products	10,34.63		13,78.60
(d) Raw Materials [Stock-in-Transit ₹ 6,29.73 lacs (Previous Year: ₹ 2,73.31 lacs)]	51,32.96		38,03.15
	143,31.79		137,70.54
Less: Provision for Inventory (refer Note No.5 in Schedule 'T')	10,20.00		—
		133,11.79	137,70.54
TOTAL		139,54.62	142,98.27
SCHEDULE 'I'			
SUNDRY DEBTORS			
Unsecured			
(a) Debts outstanding for a period exceeding six months:			
Considered Good	23,53.30		18,06.76
Considered Doubtful	4,06.55		2,86.24
	27,59.85		20,93.00
Less: Provision for Doubtful Debts	4,06.55		2,86.24
		23,53.30	18,06.76
(b) Other Debts:			
Considered Good		126,30.80	146,67.73
TOTAL		149,84.10	164,74.49
SCHEDULE 'J'			
CASH AND BANK BALANCES			
1. Cash on hand		5.68	5.04
2. Bank Balances:			
(a) With Scheduled Banks:			
(i) In Current Accounts	7,96.72		10,40.63
(ii) In Unclaimed Dividend Account *	40.86		34.67
(iii) In Fixed Deposit Account	1.00		1.00
		8,38.58	10,76.30
(b) Balance with Other Banks In Current Account with Bank of China [Maximum amount outstanding during the year ₹ 18.35 lacs (Previous Year: ₹ 16.13 lacs)]		5.84	12.51
TOTAL		8,50.10	10,93.85
*These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.			

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

<p>SCHEDULE 'K'</p> <p>OTHER CURRENT ASSETS</p> <p>1. Interest Receivable</p> <p>2. Export Benefits Receivable</p> <p>3. Unamortised Premium of Forward Contract (Refer Note No.10 in Schedule 'T')</p> <p>4. Current Account in M/s Multichem Industries</p> <p style="text-align: right;">TOTAL</p>	<p>As at 31st March, 2011 (₹ in lacs)</p> <p>9.21</p> <p>12,54.13</p> <p>—</p> <p>0.39</p> <hr style="border: 1px solid black;"/> <p>12,63.73</p> <hr style="border: 1px solid black;"/>	<p>As at 31st March, 2010 (₹ in lacs)</p> <p>7.97</p> <p>5,76.17</p> <p>4.67</p> <p>0.32</p> <hr style="border: 1px solid black;"/> <p>5,89.13</p> <hr style="border: 1px solid black;"/>
<p>SCHEDULE 'L'</p> <p>LOANS AND ADVANCES</p> <p>Unsecured and Considered Good unless otherwise stated</p> <p>1. Loans to Subsidiary Companies (Refer Note No.17 in Schedule 'T')</p> <p>2. Advances recoverable in cash or in kind or for value to be received</p> <p>3. Balances with Excise and Custom Authorities</p> <p>4. Sundry Deposits</p> <p>5. Sundry Loans</p> <p style="text-align: right;">TOTAL</p>	<p>As at 31st March, 2011 (₹ in lacs)</p> <p>0.80</p> <p>25,32.69</p> <p>5,05.99</p> <p>4,96.99</p> <p>31.06</p> <hr style="border: 1px solid black;"/> <p>35,67.53</p> <hr style="border: 1px solid black;"/>	<p>As at 31st March, 2010 (₹ in lacs)</p> <p>20.48</p> <p>35,15.27</p> <p>3,79.03</p> <p>4,74.52</p> <p>26.90</p> <hr style="border: 1px solid black;"/> <p>44,16.20</p> <hr style="border: 1px solid black;"/>
<p>SCHEDULE 'M'</p> <p>LIABILITIES</p> <p>1. Acceptances</p> <p>2. Sundry Creditors</p> <p style="padding-left: 20px;">(a) total outstanding dues of Micro and Small Enterprises (Refer Note No. 7 of Schedule 'T')</p> <p style="padding-left: 20px;">(b) total outstanding dues of creditors other than Micro and Small Enterprises</p> <p>3. Other Liabilities</p> <p>4. Advances against Orders</p> <p>5. Investor Education and Protection Fund shall be credited by the following amounts (as and when due):</p> <p style="padding-left: 20px;">(a) Unclaimed Dividend</p> <p style="padding-left: 20px;">(b) Unclaimed Matured Deposits</p> <p style="padding-left: 20px;">(c) Unclaimed Interest</p> <p>6. Sundry Deposits</p> <p>7. Interest accrued but not due on Loans</p> <p style="text-align: right;">TOTAL</p>	<p>(₹ in lacs)</p> <p>82.01</p> <p>2,44.55</p> <p>101,76.37</p> <hr style="border: 1px solid black;"/> <p>104,20.92</p> <p>3,50.80</p> <p>3,09.00</p> <p>40.72</p> <p>1.57</p> <p>0.82</p> <hr style="border: 1px solid black;"/> <p>43.11</p> <p>5,47.88</p> <p>13.05</p> <hr style="border: 1px solid black;"/> <p>117,66.77</p> <hr style="border: 1px solid black;"/>	<p>As at 31st March, 2010 (₹ in lacs)</p> <p>7,00.91</p> <p>1,96.94</p> <p>110,42.40</p> <p>112,39.34</p> <p>3,24.54</p> <p>5,80.76</p> <p>34.47</p> <p>3.59</p> <p>0.89</p> <hr style="border: 1px solid black;"/> <p>38.95</p> <p>4,97.02</p> <p>24.42</p> <hr style="border: 1px solid black;"/> <p>134,05.94</p> <hr style="border: 1px solid black;"/>
<p>SCHEDULE 'N'</p> <p>PROVISIONS</p> <p>1. Provision for Taxation [Net of Advance Tax ₹ 107,63.79 lacs (Previous Year: ₹ 87,68.64 lacs)]</p> <p>2. Provision for Gratuity (Refer Note No. 15(I)(b) in Schedule 'T')</p> <p>3. Provision for Employee Leave Benefits</p> <p>4. Proposed Dividend on Equity Shares</p> <p>5. Provision for Tax on Distributed Profits</p> <p style="text-align: right;">TOTAL</p>	<p>As at 31st March, 2011 (₹ in lacs)</p> <p>3,28.32</p> <p>2,31.39</p> <p>9,04.70</p> <p>4,12.71</p> <p>66.95</p> <hr style="border: 1px solid black;"/> <p>19,44.07</p> <hr style="border: 1px solid black;"/>	<p>As at 31st March, 2010 (₹ in lacs)</p> <p>37.47</p> <p>4,06.99</p> <p>6,82.07</p> <p>6,87.85</p> <p>1,14.24</p> <hr style="border: 1px solid black;"/> <p>19,28.62</p> <hr style="border: 1px solid black;"/>

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'O'	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
OTHER INCOME FROM OPERATIONS		
1. Incentives on Exports	17,05.00	15,31.89
2. Insurance Claims	24.10	24.10
3. Income in respect of Government Grants	7.32	7.32
4. Sales-tax/VAT Refund	—	7.70
5. Other Excess Provisions written back (Refer Note No.12 in Schedule 'T')	2,05.18	8.73
6. Profit on Sale/Disposal of Fixed Assets	25.44	—
7. Cash Discount	53.96	87.38
8. Bad Debts recovered	10.65	4.84
9. Exchange Difference (Net)	—	9.30
10. Manufacturing charges received [Tax deducted at source: ₹ 4.19 lacs (Previous Year: ₹ 1.29 lacs)]	2,08.06	64.68
11. Royalty received [Tax deducted at source: ₹ 1.55 lacs (Previous Year: ₹ 0.91 lac)]	14.04	10.60
12. Sundry Credit Balances written back	2,94.34	2,01.51
13. Provision for Diminution in value of long-term investment written back	25.00	—
14. Miscellaneous Income	3,14.11	3,16.95
TOTAL	<u>28,87.20</u>	<u>22,75.00</u>
SCHEDULE 'P'		
OTHER INCOME		
1. Income from Long-Term Investments:	(₹ in lacs)	(₹ in lacs)
(a) Interest on Investments	0.02	0.04
(b) Dividend on other Investments (non trade)	2.89	0.05
	<u>2.91</u>	<u>0.09</u>
2. Interest on Loans, Deposits, etc. (Gross) [Tax deducted at source : ₹ 3.52 lacs (Previous Year : ₹ 2.24 lacs)]	48.93	30.20
3. Rent Received [Tax deducted at source : ₹ 12.10 lacs (Previous Year : ₹ 11.44 lacs)]	1,18.16	1,09.88
TOTAL	<u>1,70.00</u>	<u>1,40.17</u>
SCHEDULE 'Q'		
MANUFACTURING AND OTHER EXPENSES		
1. RAW MATERIALS CONSUMED:	(₹ in lacs)	(₹ in lacs)
Opening Stock	38,03.15	43,14.53
Add: Purchases	333,74.42	283,92.85
	<u>371,77.57</u>	<u>327,07.38</u>
Less: Closing Stock	51,32.96	38,03.15
	<u>320,44.61</u>	<u>289,04.23</u>
2. PURCHASES OF TRADED GOODS	57,29.44	69,47.35
3. PERSONNEL EXPENSES		
(a) Salaries, Wages, Bonus and Other Benefits	37,77.54	35,63.53
(b) Contribution to Provident Fund and Other Funds	3,43.97	2,96.91
(c) Provision for Gratuity (Refer Note No. 15(l) in Schedule 'T')	4,41.72	4,09.60
(d) Provision for Other Employee Benefits	2,22.63	1,90.30
(e) Welfare Expenses	3,02.84	2,96.23
	<u>50,88.70</u>	<u>47,56.57</u>

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'Q'	(₹ in lacs)	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
MANUFACTURING AND OTHER EXPENSES (Contd.)			
4. OPERATING AND OTHER EXPENSES:			
(a) Stores and Spares Consumed	3,10.29		2,61.23
(b) Power and Fuel	15,95.66		13,07.14
(c) Repairs to Buildings	21.27		11.91
(d) Repairs to Machinery	9,30.06		6,74.27
(e) Other Repairs	2,31.11		2,80.15
(f) Processing Charges	14,42.30		18,12.85
(g) Contractor Labour Charges	5,27.50		3,69.19
(h) Rent/Lease Rent	3,81.76		3,76.74
(i) Rates and Taxes	3,04.70		3,04.48
(j) Insurance Charges	1,00.33		93.30
(k) Commission on Sales (other than sole selling agent)	6,32.98		4,82.40
(l) Other Discount	5,28.66		6,10.31
(m) Sales Promotion and Publicity	13,71.27		7,66.81
(n) Travelling and Conveyance	7,69.17		6,35.50
(o) Charity and Donations	2,10.95		1,25.55
(p) Bad Debts/Sundry Debit Balances written off	1,20.19		1,34.35
(q) Provision for Doubtful Debts (Net)	1,20.31		1,67.95
(r) Assets written off	47.89		21.11
(s) Excise Duty paid	1,69.07		1,50.06
(t) Exchange Difference (Net)	85.71		—
(u) Share in loss of Partnership Firm	0.02		0.01
(v) Provision for Inventory (Refer Note No.5 in Schedule 'T')	10,20.00		—
(w) Diminution in value of Long-Term Investments	—		87.21
(x) Loss on sale of Fixed Assets	—		5.27
(y) Other Expenses	34,23.66		32,52.56
		143,44.86	119,30.35
5. CONTAINERS AND PACKING MATERIALS		46,49.48	42,35.43
6. TRANSPORT CHARGES		23,47.72	17,94.75
7. DIRECTORS' FEES		4.75	4.20
TOTAL		642,09.56	585,72.88
SCHEDULE 'R'			
(INCREASE)/DECREASE IN STOCKS	(₹ in lacs)	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
(a) Closing Stocks:			
Finished Products	69,43.54		69,89.98
Semi-Finished Products	12,20.66		15,98.81
Traded Products	10,34.63		13,78.60
		91,98.83	99,67.39
(b) Less:			
Opening Stocks:			
Finished Products	69,89.98		61,12.30
Semi-Finished Products	15,98.81		14,66.83
Traded Products	13,78.60		6,91.49
		99,67.39	82,70.62
		7,68.56	(16,96.77)
SCHEDULE 'S'			
INTEREST		Current Year (₹ in lacs)	Previous Year (₹ in lacs)
1. On Fixed Loans		4,74.98	2,97.68
2. On Cash Credit/Working Capital Demand Loan Accounts		2,30.13	3,61.52
3. Others		1,10.27	2,40.47
TOTAL		8,15.38	8,99.67

EXCEL CROP CARE LIMITED

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

SCHEDULE 'I'

NOTES TO ACCOUNTS

1. NATURE OF OPERATIONS:

Excel Crop Care Limited is engaged in the business of agro chemicals and manufactures technical grade pesticides and formulations. The Company also manufactures and markets other agri inputs like soil enrichers, bio-pesticides, plant growth regulators and soil and plant nutrition products. The Company has presence in both the domestic and international markets.

2. SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of Preparation:

The financial statements have been prepared to comply in all material respects with the Notified Accounting Standards 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 provision for impairment is made. 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) Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. 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.

(d) Depreciation:

(i) In respect of Buildings, Plant and Machinery and Electrical Installations, on straight line basis in accordance with Section 205(2)(b) of the Companies Act, 1956, at the straight line rates specified in Schedule XIV to the Companies Act, 1956, except for certain items of Plant and Machinery, rate of 10% on straight line basis has been applied in place of 5.28% specified in Schedule XIV.

(ii) Leasehold Improvements are depreciated on straight line basis over the lease period.

(iii) In respect of additions to/deletions from the Fixed Assets, on pro-rata basis with reference to the date of addition/deletion of the assets except for assets costing ₹ 5,000 or less which have been fully depreciated.

(iv) 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.

(e) Impairment:

(i) 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 recognised 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 using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

(ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(iii) A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(f) Intangible Assets and Amortisation:

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

(ii) Amortisation:

Data Registration expenses (including registration fees) are amortised on a straight line basis over a period of three years and computer software/licence fees and data compensation charges are amortised on a straight line basis over a period of four years.

(iii) 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 accounts. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

(g) Leased Assets:

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. Lease income is recognised in the Profit and Loss Account on an accrual basis.

(h) Government Grants and Subsidies:

When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

(i) Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis.

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

Long-term investments are carried at cost of acquisition. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

(j) Accounting for Derivatives:

Derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

(k) Inventories:

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.
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 standard costing basis.
Traded Goods	Lower of cost and net realisable value. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

(l) 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:

Revenue 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.

Dividends:

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of schedule VI of the Companies Act, 1956.

Royalties:

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

Other Income:

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

(m) Foreign currency translations:

(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 except those arising from investments in non-integral operations.

(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.

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

- (n) Retirement and other employee 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 accrues. 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. The scheme is funded with Insurance Company in the form of a qualifying insurance policy.
 - (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. The scheme is funded with Insurance companies in the form of qualifying insurance policies.
 - (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.
- (o) Tax Expense:
Tax expense comprises of current and deferred tax. 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 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 and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. 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.
At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.
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.
- (p) 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 preference dividends and 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.
- (q) 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.
- (r) Cash and Cash equivalents:
Cash and cash equivalents in the Cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
- (s) Segment Reporting:
Identification of segments:
The Company's operating businesses are organised and managed separately according to the nature of products and services 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.
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.
- t) 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 Operations" as 'Incentives on Exports'.

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.) NOTES TO ACCOUNTS	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
3. Contingent Liabilities:		
(a) Disputed Excise-duty liability	4.40	2.77
(b) Disputed Service-tax liability	36.05	34.45
(c) Disputed Income-tax liability	1,20.79	1,05.38
(d) Disputed Sales-tax liability	73.18	11.57
(e) Guarantees given by the Company	51.15	79.46
(f) Liability in respect of employee(s) disputes	Amount unascertainable	Amount unascertainable
(g) Claims against the Company not acknowledged as debts	44.23	19.86
4. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	9,06.27	1,39.34
5. On a writ petition filed by Democratic Youth Federation of India against the Union of India and State Governments seeking a ban on Endosulfan (a major product of the Company) citing health concerns, the Hon'ble Supreme Court opined that a detailed study on an all India basis needed to be undertaken by an Expert Committee to address the said health concerns. By an ad-interim order passed on 13th May, 2011, the Hon'ble Supreme Court has appointed a Joint Committee headed by the Director General of Indian Council of Medical Research and the Commissioner (Agriculture) to conduct a scientific study and submit its interim report within eight weeks. Pending submission of the interim report, the order bans the production, use and sale of Endosulfan all over India till further orders. In compliance with the ad-interim order of the Hon'ble Supreme Court, the Company immediately suspended production and sale of Endosulfan. Out of abundant caution, a provision of ₹ 10,20.00 lacs has been made in respect of the inventory items relating to Endosulfan as at 31st March, 2011.		
6. 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 Balance Sheet as at 31 March 2011 is as under:		
Assets	2.20	2.16
Liabilities	2.20	2.16
Income	—	—
Expense	0.02	0.01
7. Details of dues to Micro and Small Enterprises:	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to the suppliers as defined in the MSMED Act, 2006 are as under:		
(a) The principal amount remaining unpaid to suppliers as at the end of accounting year	2,44.45	1,96.94
(b) The amount of interest due thereon remaining unpaid as at the end of the accounting year	—	0.03
(c) The amount of interest paid in terms of Section 16 along with amount of payment made to the suppliers beyond the appointed date during the year	—	—
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding interest specified under this Act)	0.61	9.30
(e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	0.61	9.33
	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
8. Break up of Deferred Tax Assets and Deferred Tax Liabilities:		
(a) Deferred Tax Assets:		
(i) Liabilities Allowable on Payment basis	2,92.64	2,06.76
(ii) Provision for Doubtful Debts	1,31.91	97.29
(iii) Provision for Inventory	3,30.94	—
	7,55.49	3,04.05
(b) Deferred Tax Liabilities:		
Depreciation	16,84.20	16,80.85

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)			
NOTES TO ACCOUNTS			
		Current Year (₹ in lacs)	Previous Year (₹ in lacs)
9.	Excise duty on sales amounting to ₹ 46,73.95 lacs (Previous Year: ₹ 30,42.16 lacs) has been reduced from sales in Profit & Loss Account and excise duty expense in Schedule "Q" includes ₹ 1,69.07 lacs (Previous Year: ₹ 1,50.06 lacs) being excise duty on increase/decrease in stocks.		
10.	The amount of exchange differences in respect of forward exchange contracts to be recognised as an income/ (expense) in the Profit and Loss Account of the subsequent year.	27.73	(4.67)
11.	(a) Research and Development costs, as certified by the Management, debited to the Profit and Loss Account are as under:		
	(i) *Revenue Expenses	6,89.06	5,81.27
	(ii) Depreciation	42.53	39.66
		7,31.59	6,20.93
	*includes ₹ 3,36.21 lacs (Previous Year: ₹ 3,22.10 lacs) and ₹ 12.93 lacs (Previous Year: ₹ 17.38 lacs) in respect of Research and Development units at Bhavnagar and Gajod respectively which is approved by the Department of Scientific & Industrial Research, Ministry of Science & Technology.		
	(b) Capital Expenditure incurred during the year on Research and Development [including capital expenditure on qualifying assets of ₹ 2,32.43 lacs (including Building) (Previous Year: ₹ 35.86 lacs) in respect of Research and Development Unit at Bhavnagar and ₹ 3.22 lacs (Previous Year: ₹ 4.43 lacs) in respect of Research and Development Unit at Gajod approved by the Department of Scientific & Industrial Research, Ministry of Science & Technology]	2,35.65	40.29
12.	Excess/(Short) Provisions written back (Net) comprises of the following:		
	(a) Raw Materials	—	(1.80)
	(b) Export Incentives	3.65	9.72
	(c) Purchase of Finished Goods	—	1.43
	(d) Commission on Exports	65.38	0.36
	(e) Personnel Expenses	18.91	2.73
	(f) Discount on Sales	18.04	(10.79)
	(g) Transport Charges	4.34	1.12
	(h) Subscription Charges	92.60	—
	(i) Others	2.26	5.96
		2,05.18	8.73
13.	Supplementary Statutory Information:		
13.1	Auditors' Remuneration:		
	As an Auditor:		
	(i) Audit fees	15.00	14.75
	(ii) Limited Review	3.50	3.00
	(iii) Tax audit fees	5.00	4.40
	In other Capacity:		
	(i) Fees for taxation matters	4.93	3.79
	(ii) Fees for certification and other matters	3.20	4.18
	(iii) Out of pocket expenses	0.46	0.38
13.2	(a) Managerial Remuneration:		
	(1) To Managing Director and Executive Director		
	(i) Salaries	42.30	38.70
	(ii) Contribution to Provident and Other Funds	11.69	10.72
	(iii) Perquisites	37.69	34.62
	(iv) Commission	44.00	80.40
		1,35.68	1,64.44
	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 in above.		
	(2) To Other Directors:		
	Commission (included in 'Other Expenses')	35.00	50.00

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
(b) Computation of Commission payable to Managing Director and Executive Director		
Profit before taxation and prior period adjustments:	62,25.27	57,10.08
<i>Add:</i> Depreciation charged in Accounts	10,95.08	8,82.91
Managerial Remuneration	1,35.68	2,14.44
Directors' Fees	4.75	4.20
Prior Period Adjustments (Net)	(24.92)	(43.30)
Assets written off as per Accounts	47.89	21.11
Profit on sale/disposal of fixed assets as per Section 350 of the Companies Act, 1956	25.44	—
Loss on sale of fixed assets as per Accounts	—	5.27
Diminution in value of Long-term Investments	—	87.21
	12,83.92	11,71.84
<i>Less:</i> Depreciation as per the Companies Act, 1956	10,95.08	8,82.91
Assets written off as per Accounts	47.89	21.11
Profit on sale/disposal of Assets as per Accounts	25.44	—
Loss on sale of fixed assets as per Accounts	—	5.27
Reversal of Diminution in value of Long-term Investments	25.00	—
	11,93.41	9,09.29
Net Profit as per Section 309(5) of the Companies Act, 1956	63,15.78	59,72.63
Commission to Managing/Executive Director in terms of Agreement	87.60	80.40
Restricted to	44.00	80.40
Commission to other Directors @ 1% thereof, ₹ 63.16 lacs		
(Previous Year: ₹ 59.81 lacs) which the Directors have agreed to restrict to	35.00	50.00

Additional information pursuant to the provision of Paragraph 3,4,4c and 4d of Part II of Schedule VI to the Companies Act, 1956.

13.3 Licensed Capacity, Installed Capacity and Production:

	Year ended March 31, 2011			Year ended March 31, 2010		
	*Licensed Capacity (Tonnes)	Installed Capacity (Tonnes)	Production (Tonnes)	*Licensed Capacity (Tonnes)	Installed Capacity (Tonnes)	Production (Tonnes)
I. Pesticides	25,900	20,750	18,666	25,900	20,750	14,519
II. Pesticides Intermediates	*11,000	6,900	4,822	*11,000	6,900	4,449

Notes: (a) Installed Capacity is as certified by the Executive Director on which the Auditors have relied, being a technical matter.

(b) Production includes quantities produced for internal consumption and excludes reprocessed material.

* (c) Includes capacity as acknowledged by Directorate General of Technical Development/ Secretariat for Industrial Approvals, Capacity being intimated to Secretariat for Industrial Approvals, for Acknowledgement.

(d) Production excludes formulations produced out of captive/bought out Technical grade material.

(e) Production is inclusive of subcontracted production.

13.4 The Company has availed the exemption for export oriented Company (whose export is more than 20% of the turnover) as per the notification dated February 8, 2011 issued by the Ministry of Corporate Affairs and accordingly the additional information pursuant to the provisions of paragraphs 3(i)(a), 3(ii)(a), 3(ii)(b), 3(ii)(d) of part II of Schedule VI to the Companies Act, 1956 has not been disclosed in the financial statements.

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)				
NOTES TO ACCOUNTS				
13.5 Consumption of Raw Materials, Components and Spare Parts:				
	Current Year		Previous Year	
	(₹ in lacs)	Percentage	(₹ in lacs)	Percentage
1. Raw Materials:				
Imported	184,18.23	57.48	156,49.90	54.14
Indigenous	136,26.38	42.52	132,54.33	45.86
	<u>320,44.61</u>	<u>100.00</u>	<u>289,04.23</u>	<u>100.00</u>
2. Components:				
Imported	NIL	—	NIL	—
Indigenous	NIL	—	NIL	—
3. Spare Parts:				
Imported	NIL	—	NIL	—
Indigenous	NIL	—	NIL	—
			Current Year	Previous Year
			(₹ in lacs)	(₹ in lacs)
13.6 Value of Imports on C.I.F. basis:				
Raw Materials			172,33.77	147,86.19
Packing Materials			23.72	12.59
Components and Spare Parts*			32.46	81.44
Capital Goods			—	31.01
Traded Goods			96.66	3, 78.56
* 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.				
13.7 Expenditure in Foreign Currency (on cash basis):				
(a) Commission on Export Sales			2,86.35	2,92.54
(b) Foreign Travelling Expenses			92.57	90.14
(c) Advertisement and Sales Promotion Expenses			1,42.96	2,02.56
(d) Product Registration Fees			76.16	47.44
(e) Interest			40.57	1,09.26
(f) Professional Charges			1,11.09	22.08
(g) Rent			7.35	4.21
(h) Personnel Expenses			58.81	57.30
(i) Transport Charges			3.57	0.76
(j) Others			1,31.68	62.72
13.8 Earnings in Foreign Exchange (on accrual basis):				
(a) Export of Goods on F.O.B. basis			223,35.84	209,43.56
(b) Other Income (including interest)			—	46.95

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

	Current Year	Previous Year
13.9 Remittance in Foreign Currency on account of Dividend to non-resident shareholder:		
(a) Number of shareholder	1	1
(b) Number of Equity Shares held by them	16,17,000	16,17,000
(c) (i) Amount of dividend paid (₹ in lacs)	1,01.06	80.85
(ii) Year to which dividend relates	2009-10	2008-09
	(₹ in lacs)	(₹ in lacs)
14. Earnings Per Share:		
(1) Profit after Tax	43,93.36	37,33.81
Less: Prior Period Adjustments (Net)	24.92	43.30
Add: Excess provision for taxation for earlier years	0.17	52.93
Profit attributable to Equity Shareholders (A)	43,68.61	37,43.44
	Nos.	Nos.
(2) Weighted average number of Equity Shares outstanding (B)	1,10,05,630	1,10,05,630
	₹	₹
(3) Earnings Per Share: (A)/(B) (basic and diluted)	39.69	34.01
(4) Face Value of Equity Share	5.00	5.00
15. Details of Employee Benefits:		
I. Defined Benefit Plans – Gratuity (Funded):		
<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 of 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 qualifying insurance policies.</p>		
(a) The amounts recognised in the statement of Profit and Loss Account are as follows:		
Defined Benefit Plan	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
Current Service cost	1,27.85	1,03.69
Interest cost on benefit obligation	1,60.07	1,26.36
Expected return on plan assets	(1,66.40)	(1,29.70)
Net actuarial (gain)/loss recognised during the year	3,15.60	3,09.25
Amount included under the head personnel expenses in Schedule 'Q' Manufacturing and Other Expenses.	4,37.12	4,09.60
Actual return on plan assets	1,85.79	1,45.00
(b) The amounts recognised in the Balance Sheet are as follows:		
	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
Present value of funded obligation	24,57.56	20,65.37
Less: Fair value of plan assets	22,26.17	16,58.38
Net Liability included under the head Provision for Gratuity, in Schedule 'N' Provisions	2,31.39	4,06.99

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

- (c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
Opening defined benefit obligation	20,65.37	16,30.40
Interest cost	1,60.07	1,26.36
Current service cost	1,27.85	1,03.69
Benefits paid	(2,31.76)	(1,62.69)
Actuarial (gains)/loss on obligation	3,36.03	3,67.61
Closing defined benefit obligation	<u>24,57.56</u>	<u>20,65.37</u>

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

	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
Opening fair value of plan assets	16,58.38	14,11.97
Expected return	1,66.40	1,29.70
Contributions made by employer during the year	6,12.72	2,21.04
Benefits paid	(2,31.76)	(1,62.69)
Actuarial gains	20.43	58.36
Closing fair value of plan assets	<u>22,26.17</u>	<u>16,58.38</u>

	(₹ in lacs)	(₹ in lacs)
	Current Year	Previous Year
Expected contribution to defined benefit plan for the year	2,31.99	4,06.99

The major categories of plan assets as a percentage of fair value of total plan assets are as follows:

Insurer Managed Funds (Life Insurance Corporation of India)	95.46%	100.00%
Insurer Managed Funds (Kotak Mahindra Old Mutual Life Insurance Limited)	4.54%	—
	<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

	Current Year	Previous Year
The principal actuarial assumptions at the Balance Sheet date.		
Discount rate	8%	7.75%
Expected rate of return on plan assets	9%	9%
Expected rate of salary increase	10%	8%
Mortality table	LIC (1994-96)	LIC (1994-96)
	Ultimate	Ultimate
Proportion of employees opting for early retirement	1% to 5%	1% to 5%

Notes:

- (i) 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.

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

- (ii) Amounts for the current and previous four periods as per Para 120(n)(i) of Accounting Standard 15 "Employee Benefits" (Revised, 2003)('AS-15') are as follows:

	Gratuity (₹ in lacs)				
	2011	2010	2009	2008	2007
Defined benefit obligation	24,57.56	20,65.37	16,30.40	12,53.03	3,33.91
Plan assets	22,26.17	16,58.38	14,11.97	11,67.78	—
Surplus/(deficit)	(2,31.39)	(4,06.99)	(2,18.43)	(85.25)	(3,33.91)
Experience adjustments on plan liabilities	63.06	1,00.79	*	*	*
Experience adjustments on plan assets	20.43	58.36	*	*	*

* The disclosure required under Para 120(n)(ii) of AS-15 pertaining to experience adjustments on plan assets and plan liabilities is not given as such information is not available with the Company.

II. Defined Contribution Plans:

- (i) Provident Fund is a defined contribution scheme established under a State Plan.
- (ii) Superannuation Fund is a defined contribution scheme. The scheme is funded with an insurance company in the form of a qualifying insurance policy.
- (iii) Defined Contribution Plan:

	Current Year (₹ in lacs)	Previous Year (₹ In lacs)
Current service cost included under the head Personnel Expenses in Schedule 'Q' Manufacturing and Other Expenses.		
Provident Fund and Family Pension Fund	2,02.09	1,83.07
Superannuation Fund	99.74	83.30

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 Companies:

Excel Industries (Australia) Pty Limited
 Excel Industries (Europe) N.V.
 ECCL Investments and Finance Limited
 Excel Genetics Limited
 Excel Crop Care (Africa) Limited (w.e.f. 15 June 2010)
 Excel Brasil Agronegocios Ltda*

* On 30th March, 2011, the Company established Excel Brasil Agronegocios Ltda, a wholly owned subsidiary company, in Brazil. The Company has not made any investment in the shares of the said subsidiary company till 31st March, 2011.

(2) Joint Venture:

Multichem Industries (a partnership firm)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

(3) **Associate Companies:**

Aimco Pesticides Limited
Excel Bio Resources Limited
Kutch Crop Services Limited

(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
Divakar Chemicals Limited
Excel Industries Limited
Hyderabad Chemicals Limited
Hyderabad Chemical Products Limited
Mumukshu Finance & Services Limited
Parul Chemicals Limited
Pritami Investments Private Limited
Shroffs Foundation Trust
Shroff Family Charitable Trust
Shrujan
Shrodip Investments Private Limited
TML Industries Limited
Transpek Industry Limited
Transpek Industry (Europe) Limited
Utkarsh Chemicals Private Limited
Shree Vivekanand Research & Training Institute

(5) **Key Management Personnel:**

Mr. Ashwin C. Shroff (Chairman)
Mr. Dipesh K. Shroff (Managing Director)
Mr. Prakash K. Shroff (Executive Director)
Mr. Jagdish R. Naik (Director)

(6) **Relatives of Key Management Personnel:**

Mrs. Usha A. Shroff (Wife of Mr. Ashwin C. Shroff)
Mr. Ravi A. Shroff (Son of Mr. Ashwin C. Shroff)
Mr. Hrishit A. Shroff (Son of Mr. Ashwin C. Shroff)
Mrs. Anshul Bhatia (Daughter of Mr. Ashwin C. Shroff)
Mr. Kantisen C. Shroff (Father of Mr. Dipesh K. Shroff)
Mrs. Chanda Kantisen Shroff (Mother of Mr. Dipesh K. Shroff)
Mrs. Preeti Dipesh Shroff (Wife of Mr. Dipesh K. Shroff)
Mrs. Priti P. Shroff (Wife of Mr. Prakash K. Shroff)
Mr. Kunal P. Shroff (Son of Mr. Prakash K. Shroff)
Mr. Harish K. Shroff (Brother of Mr. Prakash K. Shroff)
Mrs. Tarla K. Rajda (Sister of Mr. Prakash K. Shroff)
Late Mr. Ramanlal M. Naik (Father of Mr. Jagdish R. Naik)
Mrs. Tejal Jagdish Naik (Wife of Mr. Jagdish R. Naik)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

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

Nature of Transactions	Subsidiary Companies	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs)
						Total
1. INCOME						
(a) Sale of Goods (Net of rebate and discount)						
Excel Industries (Australia) Pty Ltd.	70.00	—	—	—	—	70.00
	(95.15)	(—)	(—)	(—)	(—)	(95.15)
Excel Industries (Europe) N.V.	2,06.41	—	—	—	—	2,06.41
	(5,07.26)	(—)	(—)	(—)	(—)	(5,07.26)
Excel Genetics Limited	—	—	—	—	—	—
	(24.31)	(—)	(—)	(—)	(—)	(24.31)
Aimco Pesticides Limited	—	30.88	—	—	—	30.88
	(—)	(29.36)	(—)	(—)	(—)	(29.36)
Agrocel Industries Limited	—	—	5,48.48	—	—	5,48.48
	(—)	(—)	(3,55.95)	(—)	(—)	(3,55.95)
Hyderabad Chemicals Limited	—	—	7,10.79	—	—	7,10.79
	(—)	(—)	(4,87.03)	(—)	(—)	(4,87.03)
Hyderabad Chemical Products Limited	—	—	—	—	—	—
	(—)	(—)	(1,54.05)	(—)	(—)	(1,54.05)
Parul Chemicals Limited	—	—	—	—	—	—
	(—)	(—)	(82.76)	(—)	(—)	(82.76)
Others	—	—	2,53.88	—	—	2,53.88
	(—)	(—)	(61.02)	(—)	(—)	(61.02)
	2,76.41	30.88	15,13.15	—	—	18,20.44
	(6,26.72)	(29.36)	(11,40.81)	(—)	(—)	(17,96.89)
(b) Interest						
Agrocel Industries Limited	—	—	20.12	—	—	20.12
	(—)	(—)	(3.90)	(—)	(—)	(3.90)
Excel Genetics Limited	1.57	—	—	—	—	1.57
	(1.62)	(—)	(—)	(—)	(—)	(1.62)
	1.57	—	20.12	—	—	21.69
	(1.62)	(—)	(3.90)	(—)	(—)	(5.52)
(c) Royalty						
TML Industries Limited	—	—	15.49	—	—	15.49
	(—)	(—)	(12.19)	(—)	(—)	(12.19)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

Nature of Transactions	Subsidiary Companies	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
(d) Rent						
Excel Genetics Limited	1.06	—	—	—	—	1.06
	(—)	(—)	(—)	(—)	(—)	(—)
Excel Industries Limited	—	—	24.12	—	—	24.12
	(—)	(—)	(22.10)	(—)	(—)	(22.10)
Agrocel Industries Limited	—	—	23.23	—	—	23.23
	(—)	(—)	(22.75)	(—)	(—)	(22.75)
Anshul Specialty Molecules Limited	—	—	22.74	—	—	22.74
	(—)	(—)	(20.84)	(—)	(—)	(20.84)
C. C. Shroff Research Institute	—	—	58.26	—	—	58.26
	(—)	(—)	(53.41)	(—)	(—)	(53.41)
Others	—	—	—	—	—	—
	(0.71)	(—)	(0.08)	(—)	(—)	(0.79)
	1.06	—	1,28.35	—	—	1,29.41
	(0.71)	(—)	(1,19.18)	(—)	(—)	(1,19.89)
(e) Processing Charges						
Hyderabad Chemicals Limited	—	—	2,08.06	—	—	2,08.06
	(—)	(—)	(64.68)	(—)	(—)	(64.68)
(f) Others (Reimbursement of expenses)						
Agrocel Industries Limited	—	—	7.06	—	—	7.06
	(—)	(—)	(—)	(—)	(—)	(—)
Aimco Pesticides Limited	—	22.18	—	—	—	22.18
	(—)	(—)	(—)	(—)	(—)	(—)
Anshul Speciality Molecules Limited	—	—	6.51	—	—	6.51
	(—)	(—)	(—)	(—)	(—)	(—)
C C Shroff Research Institute	—	—	13.69	—	—	13.69
	(—)	(—)	(—)	(—)	(—)	(—)
Excel Industries Limited	—	—	6.91	—	—	6.91
	(—)	(—)	(—)	(—)	(—)	(—)
Kutch Crop Services Limited	—	—	—	—	—	—
	(—)	(22.15)	(—)	(—)	(—)	(22.15)
Others	—	—	—	—	—	—
	(—)	(—)	(0.36)	(—)	(—)	(0.36)
	—	22.18	34.17	—	—	56.35
	(—)	(22.15)	(0.36)	(—)	(—)	(22.51)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

Nature of Transactions	Subsidiary Companies	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
2. EXPENSES						
(a) Purchase of Goods						
Excel Industries Limited	—	—	34,46.56	—	—	34,46.56
	(—)	(—)	(28,72.89)	(—)	(—)	(28,72.89)
Excel Industries (Europe) N V	1,65.71	—	—	—	—	1,65.71
	(—)	(—)	(—)	(—)	(—)	(—)
Parul Chemicals Limited	—	—	—	—	—	—
	(—)	(—)	(13,27.36)	(—)	(—)	(13,27.36)
TML Industries Limited	—	—	16,68.38	—	—	16,68.38
	(—)	(—)	(21,61.44)	(—)	(—)	(21,61.44)
Hyderabad Chemical Products Limited	—	—	—	—	—	—
	(—)	(—)	(10,80.96)	(—)	(—)	(10,80.96)
Aimco Pesticides Limited	—	—	—	—	—	—
	(—)	(28.84)	(—)	(—)	(—)	(28.84)
Kutch Crop Services Limited	—	22.55	—	—	—	22.55
	(—)	(—)	(—)	(—)	(—)	(—)
Agrocel Industries Limited	—	—	12,52.20	—	—	12,52.20
	(—)	(—)	(—)	(—)	(—)	(—)
Others	—	—	21,61.98	—	—	21,61.98
	(—)	(—)	(9,50.23)	(—)	(—)	(9,50.23)
	1,65.71	22.55	85,29.12	—	—	87,17.38
	(—)	(28.84)	(83,92.88)	(—)	(—)	(84,21.72)
(b) Purchase of Services						
Agrocel Industries Limited	—	—	—	—	—	—
	(—)	(—)	(16.12)	(—)	(—)	(16.12)
C. C. Shroff Research Institute	—	—	3.94	—	—	3.94
	(—)	(—)	(9.92)	(—)	(—)	(9.92)
Excel Industries Limited	—	—	—	—	—	—
	(—)	(—)	(37.87)	(—)	(—)	(37.87)
	—	—	3.94	—	—	3.94
	(—)	(—)	(63.91)	(—)	(—)	(63.91)
(c) Rent						
Excel Industries Limited	—	—	42.36	—	—	42.36
	(—)	(—)	(42.36)	(—)	(—)	(42.36)
Prakash K. Shroff	—	—	—	0.90	—	0.90
	(—)	(—)	(—)	(0.45)	(—)	(0.45)
	—	—	42.36	0.90	—	43.26
	(—)	(—)	(42.36)	(0.45)	(—)	(42.81)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

Nature of Transactions	Subsidiary Companies	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
(d) Commission						
Divakar Chemicals Limited	—	—	18.58	—	—	18.58
	(—)	(—)	(7.32)	(—)	(—)	(7.32)
	—	—	18.58	—	—	18.58
	(—)	(—)	(7.32)	(—)	(—)	(7.32)
(e) Charity & Donation						
Shrujan	—	—	1,10.00	—	—	1,10.00
	(—)	(—)	(15.00)	(—)	(—)	(15.00)
Shroffs Foundation Trust	—	—	5.00	—	—	5.00
	(—)	(—)	(10.00)	(—)	(—)	(10.00)
Shroff Family Charitable Trust	—	—	—	—	—	—
	(—)	(—)	(10.00)	(—)	(—)	(10.00)
Shree Vivekanand Research & Training Institute	—	—	24.50	—	—	24.50
	(—)	(—)	(23.35)	(—)	(—)	(23.35)
	—	—	1,39.50	—	—	1,39.50
	(—)	(—)	(58.35)	(—)	(—)	(58.35)
(f) Processing Charges						
Excel Industries Limited	—	—	11,30.72	—	—	11,30.72
	(—)	(—)	(11,74.30)	(—)	(—)	(11,74.30)
TML Industries Limited	—	—	1,24.49	—	—	1,24.49
	(—)	(—)	(5,88.08)	(—)	(—)	(5,88.08)
Others	—	—	41.61	—	—	41.61
	(—)	(—)	(23.21)	(—)	(—)	(23.21)
	—	—	12,96.82	—	—	12,96.82
	(—)	(—)	(17,85.59)	(—)	(—)	(17,85.59)
(g) Research & Development Expenses						
C. C. Shroff Research Institute	—	—	1,32.36	—	—	1,32.36
	(—)	(—)	(1,32.36)	(—)	(—)	(1,32.36)
	—	—	1,32.36	—	—	1,32.36
	(—)	(—)	(1,32.36)	(—)	(—)	(1,32.36)
(h) Royalty						
Excel Industries Limited	—	—	1,13.42	—	—	1,13.42
	(—)	(—)	(80.04)	(—)	(—)	(80.04)
	—	—	1,13.42	—	—	1,13.42
	(—)	(—)	(80.04)	(—)	(—)	(80.04)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

Nature of Transactions	(₹ in Lacs)					Total
	Subsidiary Companies	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	
(i) Remuneration						
Dipesh K. Shroff	—	—	—	75.08	—	75.08
	(—)	(—)	(—)	(95.28)	(—)	(95.28)
Prakash K. Shroff	—	—	—	60.60	—	60.60
	(—)	(—)	(—)	(69.15)	(—)	(69.15)
Others	—	—	—	—	9.05	9.05
	(—)	(—)	(—)	(—)	(5.73)	(5.73)
	—	—	—	1,35.68	9.05	1,44.73
	(—)	(—)	(—)	(1,64.43)	(5.73)	(1,70.16)
(j) Directors' Commission (Other than Managing Director and Executive Director) in respect of earlier year						
Ashwin C. Shroff	—	—	—	4.75	—	4.75
	(—)	(—)	(—)	(4.00)	(—)	(4.00)
J.R. Naik	—	—	—	20.00	—	20.00
	(—)	(—)	(—)	(16.50)	(—)	(16.50)
	—	—	—	24.75	—	24.75
	(—)	(—)	(—)	(20.50)	(—)	(20.50)
(k) Directors' Sitting Fees						
Ashwin C. Shroff	—	—	—	0.65	—	0.65
	(—)	(—)	(—)	(0.55)	(—)	(0.55)
J.R. Naik	—	—	—	0.85	—	0.85
	(—)	(—)	(—)	(0.80)	(—)	(0.80)
	—	—	—	1.50	—	1.50
	(—)	(—)	(—)	(1.35)	(—)	(1.35)
(l) Legal & Professional Charges						
J.R. Naik	—	—	—	31.71	—	31.71
	(—)	(—)	(—)	(28.40)	(—)	(28.40)
	—	—	—	31.71	—	31.71
	(—)	(—)	(—)	(28.40)	(—)	(28.40)
(m) Others (Miscellaneous purchase/ reimbursement of expenses)						
Shrujan	—	—	6.87	—	—	6.87
	(—)	(—)	(6.52)	(—)	(—)	(6.52)
C.C. Shroff Self Help Centre	—	—	1.71	—	—	1.71
	(—)	(—)	(6.60)	(—)	(—)	(6.60)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

Nature of Transactions	Subsidiary Companies	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs)
						Total
Agrocel Industries Limited	—	—	6.95	—	—	6.95
	(—)	(—)	(2.47)	(—)	(—)	(2.47)
Excel Bio Resources Limited	—	30.80	—	—	—	30.80
	(—)	(—)	(—)	(—)	(—)	(—)
Transpek Industry Limited	—	—	1.72	—	—	1.72
	(—)	(—)	(—)	(—)	(—)	(—)
Others	—	—	—	—	—	—
	(—)	(24.54)	(4.33)	(—)	(—)	(28.87)
	—	30.80	17.25	—	—	48.05
	(—)	(24.54)	(19.92)	(—)	(—)	(44.46)

3. FINANCE/OTHERS

(a) Loans/Advance given

Agrocel Industries Limited	—	—	2,72.15	—	—	2,72.15
	(—)	(—)	(2,11.00)	(—)	(—)	(2,11.00)
Excel Genetics Limited	—	—	—	—	—	—
	(20.00)	(—)	(—)	(—)	(—)	(20.00)
ECCL Investments and Finance Limited	0.33	—	—	—	—	0.33
	(—)	(—)	(—)	(—)	(—)	(—)
Others	—	—	—	—	—	—
	(0.13)	(—)	(—)	(—)	(—)	(0.13)
	0.33	—	2,72.15	—	—	2,72.48
	(20.13)	(—)	(2,11.00)	(—)	(—)	(2,31.13)

(b) Dividend Paid

Anshul Specialty Molecules Limited	—	—	24.36	—	—	24.36
	(—)	(—)	(19.49)	(—)	(—)	(19.49)
Hyderabad Chemicals Limited	—	—	9.37	—	—	9.37
	(—)	(—)	(—)	(—)	(—)	(—)
Utkarsh Chemicals Private Limited	—	—	29.59	—	—	29.59
	(—)	(—)	(23.64)	(—)	(—)	(23.64)
Others	—	—	28.12	6.42	15.04	49.58
	(—)	(—)	(30.40)	(5.08)	(11.90)	(47.38)
	—	—	91.44	6.42	15.04	1,12.90
	(—)	(—)	(73.53)	(5.08)	(11.90)	(90.51)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

Nature of Transactions						(₹ in Lacs)
	Subsidiary Companies	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Total
(c) Security Deposits Taken						
Agrocel Industries Limited	—	—	—	—	—	—
	(—)	(—)	(7.68)	(—)	(—)	(7.68)
Anshul Specialty Molecules Limited	—	—	—	—	—	—
	(—)	(—)	(10.31)	(—)	(—)	(10.31)
C. C. Shroff Research Institute	—	—	—	—	—	—
	(—)	(—)	(21.67)	(—)	(—)	(21.67)
Excel Industries Limited	—	—	—	—	—	—
	(—)	(—)	(10.93)	(—)	(—)	(10.93)
	—	—	—	—	—	—
	(—)	(—)	(50.59)	(—)	(—)	(50.59)
(d) Purchase of Fixed Assets						
Excel Industries Limited	—	—	—	—	—	—
	(—)	(—)	(3.78)	(—)	(—)	(3.78)
	—	—	—	—	—	—
	(—)	(—)	(3.78)	(—)	(—)	(3.78)
(e) Consideration for transfer of Seeds Business						
Excel Genetics Limited	—	—	—	—	—	—
	(—)	(—)	(55.13)	(—)	(—)	(55.13)
(f) Investment in shares						
Excel Genetics Limited	2,10.00	—	—	—	—	2,10.00
	(15.00)	(—)	(—)	(—)	(—)	(15.00)
Excel Crop Care (Africa) Limited	51.12	—	—	—	—	51.12
	(—)	(—)	(—)	(—)	(—)	(—)
	2,61.12	—	—	—	—	2,61.12
	(15.00)	(—)	(—)	(—)	(—)	(15.00)
4. OUTSTANDINGS AS AT THE BALANCE SHEET DATE						
(a) Amounts Receivable/Recoverable (Net)						
Excel Industries (Australia) Pty Limited	—	—	—	—	—	—
	(23.14)	(—)	(—)	(—)	(—)	(23.14)
Excel Industries (Europe) N. V.	46.85	—	—	—	—	46.85
	(2,12.91)	(—)	(—)	(—)	(—)	(2,12.91)
Excel Genetics Limited	1.78	—	—	—	—	1.78
	(1,83.90)	(—)	(—)	(—)	(—)	(1,83.90)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

Nature of Transactions	Subsidiary Companies	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
Aimco Pesticides Limited	— (—)	2,92.22 (3,53.05)	— (—)	— (—)	— (—)	2,92.22 (3,53.05)
Agrocel Industries Limited	— (—)	— (—)	1,19.09 (2,74.96)	— (—)	— (—)	1,19.09 (2,74.96)
Hyderabad Chemicals Limited	— (—)	— (—)	1,32.94 (49.57)	— (—)	— (—)	1,32.94 (49.57)
Hyderabad Chemical Products Limited	— (—)	— (—)	— (2,32.90)	— (—)	— (—)	— (2,32.90)
Kutch Crop Services Limited	— (—)	80.22 (1,17.98)	— (—)	— (—)	— (—)	80.22 (1,17.98)
Others	0.80 (0.48)	— (22.15)	0.61 (52.89)	— (—)	— (—)	1.41 (75.52)
	49.43 (4,20.43)	3,72.44 (4,93.18)	2,52.64 (6,10.32)	— (—)	— (—)	6,74.51 (15,23.93)
(b) Amounts Payable (Net)						
Excel Industries (Europe) N. V.	1,42.19 (—)	— (—)	— (—)	— (—)	— (—)	1,42.19 (—)
C. C. Shroff Research Institute	— (—)	— (—)	1,75.88 (1,45.77)	— (—)	— (—)	1,75.88 (1,45.77)
Excel Industries Limited	— (—)	— (—)	8,98.04 (11,89.66)	— (—)	— (—)	8,98.04 (11,89.66)
Hyderabad Chemical Products Limited	— (—)	— (—)	33.50 (1,63.75)	— (—)	— (—)	33.50 (1,63.75)
Parul Chemicals Limited	— (—)	— (—)	15.56 (2,73.05)	— (—)	— (—)	15.56 (2,73.05)
TML Industries Limited	— (—)	— (—)	— (2,24.25)	— (—)	— (—)	— (2,24.25)
Remuneration to Dipesh K. Shroff	— (—)	— (—)	— (—)	23.21 (48.47)	— (—)	23.21 (48.47)
Remuneration to Prakash K. Shroff	— (—)	— (—)	— (—)	24.18 (35.29)	— (—)	24.18 (35.29)
Others	— (—)	— (—)	1,17.50 (1,29.74)	7.45 (3.42)	— (—)	1,24.95 (1,33.16)
	1,42.19 (—)	— (—)	12,40.48 (21,26.22)	54.84 (87.18)	— (—)	14,37.51 (22,13.40)

(Figures in brackets relate to the Previous Year)

(Above figures are gross of tax)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
17. Disclosures pursuant to Clause 32 of the Listing Agreement:		
Loans to Subsidiary Companies		
Excel Genetics Limited		
Balance as at the balance sheet date	—	20.00
Maximum amount outstanding during the year ₹ 20.00 lacs (Previous Year: ₹ 20.00 lacs)		
Loan is repayable on demand		
ECCL Investments and Finance Limited		
Balance as at the balance sheet date	0.80	0.48
Maximum amount outstanding during the year ₹ 0.80 lac (Previous Year: ₹ 0.48 lac)		
Loan is repayable on demand		

18. Segment Information:

Primary Business Segment: The Company has only one business segment viz. Agri Inputs.

Secondary Business Segment: Information in respect of geographical segments is as shown below:

	Current Year (₹ in lacs)			Previous Year (₹ in lacs)		
	Domestic	Export	Total	Domestic	Export	Total
Revenue	483,55.67	249,29.23	732,84.90	412,79.17	231,76.73	644,55.90
Carrying amount of Segment Assets	377,19.19	99,87.92	477,07.11	373,82.16	107,91.19	481,73.35
Additions to Fixed Assets (including Capital Work in Progress) and Intangibles	26,45.31	38.58	26,83.89	17,74.87	0.34	17,75.21

Note: Segment Revenue in the above segments considered for disclosure are as follows:

- (a) Revenue from Domestic Segment includes sales to customers located within India.
- (b) Revenue from Export Segment includes sales to customers located outside India and income on account of Export Incentives.

19. Operating Leases:

Office premises and other assets are obtained on operating leases for various tenors. None of the operating leases are renewable. There is no escalation clause in the lease agreements/arrangements. There are no restrictions imposed by lease agreements/arrangements. There are subleases entered into by the Company in respect of the office premises taken on lease. All the aforesaid leases are cancellable as per terms and conditions mentioned in the agreement.

	2010-11 (₹ in lacs)	2009-10 (₹ in lacs)
(i) Lease payments for the year	3,81.76	3,76.74
(ii) Sub-lease payments received during the year	1,18.16	1,09.88
(iii) Minimum lease payments as at 31st March		
(a) Not later than one year	2,67.79	2,50.00
(b) Later than one year but not later than five years	5,68.74	7,08.32
(c) Later than five years	Nil	Nil

EXCEL CROP CARE LIMITED

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

SCHEDULE 'T' — (Cont'd.)

NOTES TO ACCOUNTS

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

		As at 31st March, 2011 (in lacs)	As at 31st March, 2010 (in lacs)
(a) Forward Contract for Hedging			
(i) For US\$ – Buy		65.02	1,53.06
(ii) For US\$ – Sell		1,32.80	1,50.75
(iii) For Euro – Sell		0.63	—
(b) Un-hedged Foreign Currency Exposure on:	Currency	Outstanding as at 31st March, 2011 (in lacs)	Outstanding as at 31st March, 2010 (in lacs)
<hr/>			
(i) Receivables	US Dollars	28.09	23.82
	Euro	0.09	0.61
(ii) Payables	Euro	—	0.31
	US Dollars	4.16	1.72
(iii) Expenses	Euro	0.11	0.21

21. 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 Number: 301003E
Chartered Accountants.

per VIJAY MANIAR
Partner
Membership No.: 36738

Mumbai
25 May 2011

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Executive Director

K. SRINIVASAN
Senior Vice President
(Finance & Accounts)

Mumbai
25 May 2011

DIPESH K. SHROFF
Managing Director

J. R. NAIK
Director

PRAVIN D. DESAI
Vice President
(Finance & Accounts) &
Company Secretary

EXCEL CROP CARE LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I.	Registration Details:	
(a)	Registration No.:	12878
(b)	State Code:	11
(c)	Balance Sheet Date:	31/3/2011
II.	Capital Raised during the year:	(₹ in Thousands)
	Public Issue	NIL
	Rights Issue	NIL
	Bonus Issue	NIL
	Private Placement	NIL
III.	Position of Mobilisation and Deployment of Funds:	(₹ in Thousands)
(a)	Total Liabilities	3,399,627
(b)	Total Assets	3,399,627
(c)	Sources of Funds:	
(i)	Paid-up Capital	55,028
(ii)	Reserves and Surplus	2,021,936
(iii)	Deferred Government Grants	3,941
(iv)	Secured Loans	870,200
(v)	Unsecured Loans	355,651
(vi)	Deferred Tax Liability	92,871
(d)	Application of Funds:	
(i)	Net Fixed Assets	1,209,373
(ii)	Intangible Assets	27,204
(iii)	Investments	72,126
(iv)	Net Current Assets	2,090,924
(v)	Miscellaneous Expenditure	NIL
(vi)	Accumulated Losses	NIL
IV.	Performance of the Company:	
(a)	Turnover (Gross Revenue)	7,328,490
(b)	Total Expenditure	6,705,963
(c)	Profit Before Tax	622,527
(d)	Profit After Tax	439,336
(e)	Earning Per Share (₹)	39.69
(f)	Dividend Rate %	75%
V.	Generic Names of Three Principal Products:	
	<u>ITC Code</u>	<u>Name of the product</u>
(i)	3808.91.31	ENDOSULFAN
(ii)	3808.93.50	GLYPHOSATE
(iii)	3808.91.99	CHLORPYRIPHOS TECHNICAL

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Executive Director

K. SRINIVASAN
*Senior Vice President
(Finance & Accounts)*

*Mumbai
25 May 2011*

DIPESH K. SHROFF
Managing Director

J. R. NAIK
Director

PRAVIN D. DESAI
*Vice President
(Finance & Accounts) &
Company Secretary*

EXCEL CROP CARE LIMITED

AUDITORS' REPORT

The Board of Directors Excel Crop Care Limited

1. We have audited the attached consolidated balance sheet of Excel Crop Care Limited ('the Company') and its subsidiaries, associates and the joint venture (together referred to as 'the Group'), as at 31 March 2011, 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. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of ₹ 17,44.03 lacs as at 31 March 2011 and the total revenue of ₹ 14,54.20 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
4. *The accompanying consolidated financial statements include the share of the Group's loss in an associate company, Aimco Pesticides Limited of ₹ 17.79 lacs (Previous Year: ₹ 66.83 lacs), determined based on the unaudited accounts of the entity as at and for the year ended 31 March 2011. We are unable to comment on the impact of adjustments, if any, that may have been required to be made to the accompanying consolidated financial statements, had the financial statements of that associate company been audited. (Refer Note No.1(d) in Schedule 'U'). Our audit report on the consolidated financial statements for the year ended 31 March 2010 was modified in respect of the matter stated above.*
5. We report that 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).
6. *Subject to the matters stated in paragraph 4 above*, based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, 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 2011;
 - (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: 25 May 2011

EXCEL CROP CARE LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	(₹ in lacs)	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS:				
(a) Share Capital	'A'	5,50.28		5,50.28
(b) Reserves and Surplus	'B'	212,18.03		173,76.19
			217,68.31	179,26.47
2. MINORITY INTEREST			48.76	—
3. DEFERRED GOVERNMENT GRANTS			39.41	46.73
4. LOAN FUNDS:				
(a) Secured Loans	'C'	87,09.13		50,02.75
(b) Unsecured Loans	'D'	35,56.51		95,55.82
			122,65.64	145,58.57
5. DEFERRED TAX LIABILITY (Refer Note No. 6 in Schedule 'U')			9,28.71	13,76.80
TOTAL			<u>350,50.83</u>	<u>339,08.57</u>
APPLICATION OF FUNDS				
1. FIXED ASSETS:	'E'			
(a) Gross Block		183,90.74		170,46.57
(b) Less: Accumulated Depreciation		72,09.50		63,19.19
(c) Net Block		111,81.24		107,27.38
(d) Capital Work-in-Progress including capital advances		9,41.04		2,37.45
			121,22.28	109,64.83
2. INTANGIBLE ASSETS	'F'		3,40.24	1,66.51
3. DEFERRED TAX ASSET			5.27	0.42
4. INVESTMENTS	'G'		5,28.97	2,56.76
5. CURRENT ASSETS, LOANS AND ADVANCES:				
(a) Inventories	'H'	142,13.17		145,61.91
(b) Sundry Debtors	'I'	153,52.20		163,18.70
(c) Cash and Bank Balances	'J'	18,35.83		14,52.87
(d) Other Current Assets	'K'	12,70.99		5,89.93
(e) Loans and Advances	'L'	35,91.42		51,07.40
	(A)	362,63.61		380,30.81
LESS: CURRENT LIABILITIES AND PROVISIONS:				
(a) Liabilities	'M'	122,47.76		135,70.81
(b) Provisions	'N'	19,61.78		19,45.50
	(B)	142,09.54		155,16.31
NET CURRENT ASSETS (A - B)			220,54.07	225,14.50
6. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	'O'		—	5.55
TOTAL			<u>350,50.83</u>	<u>339,08.57</u>
NOTES TO ACCOUNTS	'U'			

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 Number: 301003E
Chartered Accountants.

per VIJAY MANIAR
Partner
Membership No.: 36738

Mumbai
25 May 2011

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Executive Director

K. SRINIVASAN
Senior Vice President
(Finance & Accounts)

Mumbai
25 May 2011

DIPESH K. SHROFF
Managing Director

J. R. NAIK
Director

PRAVIN D. DESAI
Vice President
(Finance & Accounts) &
Company Secretary

EXCEL CROP CARE LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	(₹ in lacs)	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
INCOME				
Sale of Products (Gross)		762,75.35		655,82.54
Less: Excise Duty (Refer Note No. 15 of Schedule 'U')		46,73.95		30,42.16
			716,01.40	625,40.38
Other Income from Operations	P'		28,66.20	23,23.69
Other Income	Q'		1,77.97	1,43.57
			746,45.57	650,07.64
EXPENDITURE				
Manufacturing and Other Expenses	R'	656,61.87		591,06.47
(Increase)/Decrease in Stocks	S'	8,19.23		(17,68.74)
Depreciation		10,97.51		8,83.90
Amortisation:				
Intangible Assets		1,91.45		1,02.43
Expenses		—		1.36
Interest	T'	8,16.94		9,00.52
			685,87.00	592,25.94
PROFIT BEFORE TAXATION			60,58.57	57,81.70
Less: Provision for Taxation				
Current Tax		22,77.60		19,79.72
Deferred Tax		(4,50.34)		2.30
			18,27.26	19,82.02
PROFIT AFTER TAXATION BUT BEFORE PRIOR PERIOD ADJUSTMENTS			42,31.31	37,99.68
Less: Prior Period Adjustments (Net)				
(a) Taxation		(0.17)		(52.93)
(b) Others		24.92		43.30
			24.75	(9.63)
			42,06.56	38,09.31
<i>Add:</i> Minority Interest			21.24	2.67
<i>Add:</i> Share of Profit/(Loss) in Associate Companies (Refer Note No. 1 (d) in Schedule 'U')			22.27	(97.42)
<i>Add:</i> Addition on account of difference between unaudited results recognised and audited results for the previous year in respect of an Associate Company			20.40	7.03
NET PROFIT			42,70.47	37,21.59
Balance brought forward from previous year			20,57.44	21,37.94
PROFIT AVAILABLE FOR APPROPRIATION			63,27.91	58,59.53
Less: Appropriations:				
(a) Proposed Dividend		4,12.71		6,87.85
(b) Tax on Distributed Profits		66.95		1,14.24
(c) Transfer to General Reserve		30,00.00		30,00.00
			34,79.66	38,02.09
Surplus carried to Balance Sheet			28,48.25	20,57.44
			₹	₹
CONSOLIDATED EARNINGS PER SHARE				
(Refer Note No. 9 in Schedule 'U')				
Basic and Diluted Earnings Per Share			38.80	33.82
Face Value Per Share			5.00	5.00
NOTES TO ACCOUNTS				
U'				

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.

A. C. SHROFF
Chairman

DIPESH K. SHROFF
Managing Director

For S. R. BATLIBOI & CO.
Firm Registration Number: 301003E
Chartered Accountants.

PRAKASH K. SHROFF
Executive Director

J. R. NAIK
Director

per VIJAY MANIAR
Partner
Membership No.: 36738

K. SRINIVASAN
Senior Vice President
(Finance & Accounts)

PRAVIN D. DESAI
Vice President
(Finance & Accounts) &
Company Secretary

Mumbai
25 May 2011

Mumbai
25 May 2011

EXCEL CROP CARE LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	(₹ in lacs)	For the year ended 31st March, 2011 (₹ in lacs)	(₹ in lacs)	For the year ended 31st March, 2010 (₹ in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and Prior Period Adjustments		60,58.57		57,81.70
Adjustments for:				
Depreciation	10,97.51		8,83.90	
Amortisation of Intangible Assets	1,91.45		1,02.43	
Bad Debts/Sundry Debit Balances Written Off	1,20.19		1,34.35	
Provision for Doubtful Debts	1,20.31		1,67.95	
Sundry Credit Balances Written Back	(2,94.34)		(2,01.51)	
Loss/(Profit) on sale of Fixed Assets	(25.44)		5.27	
Loss/(Profit) on sale of Investments	(0.70)		—	
Fixed Assets written off	47.89		21.11	
Provision for Inventory/Inventory written off	10,20.00		97.84	
Provision for Gratuity	4,42.48		4,09.93	
Provision for Employee Leave Benefits	2,26.72		1,93.28	
Interest received	(57.04)		(34.43)	
Dividend Received on other investments	(3.03)		(0.05)	
Interest paid	8,16.94		9,00.52	
Amortisation of expenses	5.55		1.36	
Exchange Difference on loans taken	44.46		87.10	
Minority Interest	(21.24)		2.67	
Short/(Excess) Provision for other items (Net)	(2,08.70)		(8.73)	
Income in respect of Government Grant	(7.32)	35,15.69	(7.32)	27,55.67
Operating Profit before working capital changes		95,74.26		85,37.37
Adjustments for:				
Decrease/(Increase) in Sundry Debtors	10,20.34		(32,30.92)	
Decrease/(Increase) in Inventories	(6,71.26)		(13,88.85)	
Decrease/(Increase) in Other Current Assets	(6,79.21)		2,13.39	
Decrease/(Increase) in Loans and Advances	15,20.14		(6,20.97)	
Increase/(Decrease) in Current Liabilities & Provisions	(17,26.54)		23,98.26	
		(5,36.53)		(26,29.09)
Cash generated from Operations		90,37.73		59,08.28
Direct taxes paid		19,93.19		22,34.34
Cash flow before Prior Period Adjustments		70,44.54		36,73.94
Prior Period Adjustments		(24.92)		(43.30)
Net cash from Operating Activities (A)		70,19.62		36,30.64
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets		(23,42.41)		(17,23.68)
Purchase of Intangible Assets		(3,65.18)		(1,60.36)
Miscellaneous Expenditure incurred		—		(5.90)
Sale of fixed assets		65.00		30.17
Purchase of Investments		(3,15.41)		(0.40)
Fixed Deposit (with maturity more than three months)		—		(1.00)
Sale of Investments		1,07.81		—
Sundry Loans given		(4.16)		(15.70)
Interest received		55.19		31.06
Dividend received		3.03		0.05
Net Cash used in Investing Activities (B)		(27,96.13)		(18,45.76)

EXCEL CROP CARE LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011 – (Contd.)

	For the year ended 31st March, 2011 (₹ in lacs)	For the year ended 31st March, 2010 (₹ in lacs)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	238,48.51	236,58.62
Repayment of borrowings	(261,85.90)	(239,84.60)
Minority Interest	70.00	—
Interest paid	(8,28.33)	(9,09.30)
Dividend Paid	(6,81.60)	(5,44.11)
Tax on distributed Profits	(1,14.24)	(93.52)
Net cash used for Financing Activities (C)	(38,91.56)	(18,72.91)
D. Exchange Difference (Foreign Currency Translation Reserve) (D)	51.03	(95.44)
Net increase in cash and cash equivalents (A+B+C+D)	3,82.96	(1,83.47)
Cash and cash equivalents at the beginning of the year	14,52.87	16,35.34
Cash and cash equivalents at the end of the year	18,35.83	14,51.87
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on hand	5.94	19.58
With banks:		
(a) on current account	10,88.49	13,94.06
(b) on deposit account	6,99.54	4.56
(c) unpaid dividend accounts*	40.86	34.67
Sub Total	18,34.83	14,52.87
Less: Fixed Deposit not considered as cash equivalents	(1.00)	(1.00)
Cash & Cash Equivalents in Cash Flow Statement	18,35.83	14,51.87
*These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.		
<p>As per our report of even date.</p> <p>For S. R. BATLIBOI & CO. Firm Registration Number: 301003E Chartered Accountants.</p> <p>per VIJAY MANIAR Partner Membership No.: 36738</p> <p>Mumbai 25 May 2011</p>	<p>A. C. SHROFF Chairman</p> <p>PRAKASH K. SHROFF Executive Director</p> <p>K. SRINIVASAN Senior Vice President (Finance & Accounts)</p> <p>Mumbai 25 May 2011</p>	<p>DIPESH K. SHROFF Managing Director</p> <p>J. R. NAIK Director</p> <p>PRAVIN D. DESAI Vice President (Finance & Accounts) & Company Secretary</p>

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
SCHEDULE 'A'		
SHARE CAPITAL		
AUTHORISED:		
1,20,00,000 (Previous Year: 1,20,00,000) Equity Shares of ₹ 5/- each	6,00.00	6,00.00
	6,00.00	6,00.00
ISSUED, SUBSCRIBED AND PAID-UP:		
1,10,05,630 (Previous Year: 1,10,05,630) Equity Shares of ₹ 5/- each fully paid-up	5,50.28	5,50.28
TOTAL	5,50.28	5,50.28
NOTE: OF THE ABOVE,		
(a) 92,000 (Previous Year: 92,000) Equity Shares of ₹ 5/- each fully paid-up have been issued by way of Bonus Shares by capitalisation of the surplus in the Profit and Loss Account.		
(b) 1,09,05,630 (Previous Year: 1,09,05,630) Equity Shares of ₹ 5/- each fully paid-up have been issued pursuant to a Scheme of Arrangement, without payments being received in cash.		
SCHEDULE 'B'		
RESERVES AND SURPLUS		
	(₹ in lacs)	(₹ in lacs)
1. General Reserve:		
Balance as per last Balance Sheet	153,15.81	123,15.81
Add: Transferred from Profit and Loss Account	30,00.00	30,00.00
	183,15.81	153,15.81
2. Foreign Currency Translation Reserve:		
Balance as per last Balance Sheet	2.94	98.39
Add/(Less): Exchange difference during the year on account of net investments in Non-integral operations	51.03	(95.45)
	53.97	2.94
3. Profit and Loss Account	28,48.25	20,57.44
TOTAL	212,18.03	173,76.19
SCHEDULE 'C'		
SECURED LOANS		
	(₹ in lacs)	(₹ in lacs)
1. Long Term Loan from Bank (Refer Note No. 1 given below)	20,00.00	—
2. From Banks:		
(a) On Working Capital Demand Loan/Term Loan Accounts	4,00.00	20,00.00
(b) On Cash Credit Accounts	39,24.22	1,19.64
(c) Bills Discounting	23,09.58	27,70.09
(d) Under Vehicle Finance Schemes (Refer Note Nos. 2 and 3 given below)	7.13	16.75
	66,40.93	49,06.48
3. From Others under Vehicle Finance Scheme (Refer Note No. 3 given below)	68.20	96.27
TOTAL	87,09.13	50,02.75
Notes:		
1. Long Term Loan from Citibank N.A. is to be secured by first exclusive charge on Windmill to be installed in Kutch, Gujarat and specific Plant and Machinery of the Company		
2. Loans from Banks on Cash Credit and Working Capital Demand Loan/Term Loan Accounts/ Bills Discounting are secured by way of hypothecation of all tangible movable assets, both present and future, including stock of raw materials, finished goods, goods-in-process, stores, book debts etc.		
3. Term Loans under Vehicle Finance from banks and from others for purchase of vehicles amounting to ₹ 7.13 lacs (Previous Year: ₹ 16.75 lacs) and ₹ 68.20 lacs (Previous Year: ₹ 96.27 lacs) respectively are secured by an exclusive charge by way of hypothecation of cars purchased under the said Schemes.		

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 'D'	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
UNSECURED LOANS	(₹ in lacs)	
1. Short-term loans:		
(a) From Banks	35,56.51	95,31.82
(b) From Others	—	23.00
	35,56.51	95,54.82
2. Loan from Director	—	1.00
TOTAL	35,56.51	95,55.82

SCHEDULE 'E'													
FIXED ASSETS													
(₹ in lacs)													
SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK (AT COST)					DEPRECIATION					NET BLOCK	
		As at 1st April, 2010	Additions during the year	Deductions during the year	Foreign Exchange Adjustments	As at 31st March, 2011	As at 1st April, 2010	Deductions/ Adjustments	Provided during the year	Foreign Exchange Adjustments	As at 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
I.	LAND - FREEHOLD	8,03.75	4.92	—	—	8,08.67	—	—	—	—	8,08.67	8,03.75	8,03.75
II.	LAND - LEASEHOLD (*)	2.69	—	—	—	2.69	—	—	—	—	2.69	2.69	2.69
III.	LEASEHOLD IMPROVEMENTS	1,76.79	12.61	—	—	1,89.40	14.63	—	36.47	—	51.10	1,38.30	1,62.16
IV.	BUILDINGS	15,18.20	1,71.48	—	—	16,89.68	2,63.22	—	37.86	—	3,01.08	13,88.60	12,54.98
V.	PLANT AND MACHINERY	125,80.47	11,57.51	1,70.87	0.14	135,67.25	50,46.58	1,23.42	8,09.09	0.14	57,32.39	78,34.86	75,33.89
VI.	ELECTRICAL INSTALLATIONS	3,40.23	0.90	1.46	—	3,39.67	1,61.94	0.31	14.57	—	1,76.20	1,63.47	1,78.29
VII.	LABORATORY EQUIPMENTS	64.17	19.26	0.69	—	82.74	53.52	0.62	3.11	—	56.01	26.73	10.65
VIII.	FURNITURE, FIXTURES AND OFFICE EQUIPMENTS	5,51.54	68.18	30.73	—	5,88.99	2,71.58	14.51	54.78	—	3,11.85	2,77.14	2,79.96
IX.	VEHICLES	9,97.82	2,03.96	82.29	—	11,19.49	5,00.77	62.70	1,41.08	—	5,79.15	5,40.34	4,97.05
X.	TECHNICAL BOOKS	10.91	—	8.75	—	2.16	6.95	5.78	0.55	—	1.72	0.44	3.96
	TOTAL	170,46.57	16,38.82	2,94.79	0.14	183,90.74	63,19.19	2,07.34	10,97.51	0.14	72,09.50	111,81.24	107,27.38
	PREVIOUS YEAR	155,58.79	16,43.18	1,55.03	(0.37)	170,46.57	55,34.14	98.48	8,83.90	(0.37)	63,19.19		
	CAPITAL WORK-IN-PROGRESS (REFER NOTE NO.1 BELOW)											9,41.04	2,37.45
	TOTAL											121,22.28	109,64.83

NOTES:

- Capital Work-in-Progress includes Advance for Capital Expenditure ₹ 6,70.66 lacs (Previous Year : ₹ 2,32.18 lacs)
- (*) Includes ₹ 2 lacs (Previous Year: ₹ 2 lacs) being 50% share of interest in Joint Venture.
- Buildings include cost of shares in a Co-operative Housing Society: ₹ 0.01 lac (Previous Year : Nil)
- Expenditure on improvement to the leased property is depreciated over the lease period upto 60 months

SCHEDULE 'F'													
INTANGIBLE ASSETS													
(₹ in lacs)													
SR. NO.	DESCRIPTION OF INTANGIBLE ASSETS	GROSS AMOUNT					AMORTISATION					NET AMOUNT	
		As at 1st April, 2010	Additions during the year	Transferred from Subsidiary on Acquisition	Foreign Exchange Adjustments	As at 31st March, 2011	As at 1st April, 2010	Transferred from Subsidiary on Acquisition	Provided during the year	Foreign Exchange Adjustments	As at 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
1.	Data Registration Expenses	6,75.05	3,60.83	—	—	10,35.88	6,39.48	—	1,55.85	—	7,95.33	2,40.55	35.57
2.	Computer Software/Licence Fees	60.72	4.35	—	—	65.07	17.17	—	15.50	—	32.67	32.40	43.55
3.	Germ Plasm	1,00.50	—	—	—	1,00.50	20.10	—	20.10	—	40.20	60.30	80.40
4.	Goodwill	6.99	—	—	—	6.99	—	—	—	—	—	6.99	6.99
	TOTAL	8,43.26	3,65.18	—	—	12,08.44	6,76.75	—	1,91.45	—	8,68.20	3,40.24	1,66.51
	Previous Year	6,78.12	64.96	1,00.50	(0.32)	8,43.26	5,69.53	5.10	1,02.43	(0.31)	6,76.75		

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 'G'	(₹ in lacs)	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
INVESTMENTS (AT COST)			
LONG-TERM			
1. Investment in Government Securities (Unquoted)		0.79	0.68
National Saving Certificates [Face value ₹ 0.79 lac (Previous Year: ₹ 0.68 lac)] (Deposited with Government Authorities)			
2. Investment in Shares of Associate Companies			
(a) Quoted (Includes Goodwill of ₹ 45.59 lacs) 23,30,120 (Previous Year: 23,30,120) Equity Shares of ₹ 10 each fully paid-up in Aimco Pesticides Limited	2,44.38		2,26.71
(b) Unquoted (Includes Goodwill of ₹ 37.85 lacs)			
(i) 4,00,000 (Previous Year: 4,00,000) Equity Shares of ₹ 10 each fully paid-up in Kutch Crop Services Limited (Unquoted)	16.41		—
(ii) 2,50,000 (Previous Year: 2,50,000) Equity Shares of ₹ 10 each fully paid-up in Excel Bio Resources Limited	37.52		28.93
		2,98.31	2,55.64
3. Other Investments in Shares (Quoted)			
(a) 339 (Previous Year: 339) Equity Shares of ₹ 10 each fully paid-up in Tata Steel Limited	0.44		0.44
(b) 1,45,760 (Previous Year: Nil) Equity Shares of ₹ 5 each fully paid-up in Excel Industries Limited	1,69.08		—
		1,69.52	0.44
CURRENT			
Investments in Mutual Funds (Unquoted)			
(a) 1,52,992 (Previous Year: Nil) Units of ₹ 10 each of DSP Black Rock FMP – 3 months - Series 30 - Growth	15.30		—
(b) 3,64,258 (Previous Year: Nil) Units of ₹ 10 each of UTI Fixed Income Interval Fund-Half Yearly Plan I -Reg-Growth	45.05		—
		60.35	—
TOTAL		5,28.97	2,56.76
Notes:			
1 Aggregate of Quoted Investments: Cost (Net of Provision for Diminution)		4,13.90	2,27.15
Market Value		3,12.90	1,96.71
2 Aggregate of Unquoted Investments: Cost		1,15.07	29.61
SCHEDULE 'H'		As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
INVENTORIES	(₹ in lacs)		
(At cost or net realisable value, whichever is lower)			
1 Stores and Spares (including Fuel)		1,47.60	68.77
2 Containers		5,01.59	4,63.26
3 Stock-in-Trade:			
(a) Finished Products	71,42.60		72,22.65
(b) Semi-Finished Products	12,20.66		15,98.81
(c) Traded Products	10,19.30		13,78.60
(d) Raw Materials [Stock-in-Transit ₹ 6,29.73 lacs (Previous Year: ₹ 2,73.31 lacs)]	52,01.42		38,29.82
	145,83.98		140,29.88
Less: Provision for Inventory (Refer Note No.5 in Schedule 'U')	10,20.00		—
TOTAL		135,63.98	140,29.88
		142,13.17	145,61.91

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 'I'	(₹ in lacs)	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
SUNDRY DEBTORS			
Unsecured			
(a) Debts outstanding for a period exceeding six months:			
Considered Good	24,06.86		18,07.89
Considered Doubtful	4,34.39		3,12.94
	28,41.25		21,20.83
Less: Provision for Doubtful Debts	4,34.39		3,12.94
		24,06.86	18,07.89
(b) Other Debts			
Considered Good		129,45.34	145,10.81
TOTAL		153,52.20	163,18.70
SCHEDULE 'J'			
CASH AND BANK BALANCES			
1. Cash on hand		5.94	19.58
2. Bank Balances:			
(a) With Scheduled Banks:			
(i) In Current Accounts (*)	9,57.51		10,96.33
(ii) In Fixed Deposit Accounts	7,00.54		4.56
(iii) In Unclaimed Dividend Accounts (**)	40.86		34.67
		16,98.91	11,35.56
(b) Balance with Other Banks		1,30.98	2,97.73
TOTAL		18,35.83	14,52.87
(*) Includes ₹ 0.02 lac (Previous Year: ₹ 0.02 lac) being 50% share of interest in Joint Venture.			
(**) These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.			
SCHEDULE 'K'			
OTHER CURRENT ASSETS			
1. Interest Receivable		16.05	7.99
2. Export Benefits Receivable		12,54.13	5,76.17
3. Unamortised Premium of Forward Contracts		—	4.67
4. Miscellaneous Receivables (*)		0.81	1.10
TOTAL		12,70.99	5,89.93
(*) Includes ₹ 0.39 lac (Previous Year: ₹ 0.30 lac) being 50% share of interest in Joint Venture.			
SCHEDULE 'L'			
LOANS AND ADVANCES			
Unsecured and Considered Good unless otherwise stated			
1. Advances recoverable in cash or in kind or for value to be received		25,50.78	35,57.04
2. Balances with Excise and Custom Authorities		5,05.99	3,79.03
3. Sundry Deposits		5,03.59	11,44.43
4. Sundry Loans		31.06	26.90
TOTAL		35,91.42	51,07.40

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 'M'	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
LIABILITIES	(₹ in lacs)	
1. Acceptances	82.01	7,00.91
2. Sundry Creditors		
a) total outstanding dues of Micro and Small Enterprises	2,44.55	1,96.94
b) total outstanding dues of creditors other than Micro and Small Enterprises	106,25.50	111,46.05
	108,70.05	113,42.99
3. Other Liabilities	3,52.35	3,27.25
4. Advances against Orders	3,20.75	6,21.76
5. Investor Education and Protection Fund shall be credited by the following amounts (as and when due):		
a) Unclaimed Dividend	40.72	34.47
b) Unclaimed Matured Deposits	1.57	3.59
c) Unclaimed Interest	0.82	0.89
	43.11	38.95
6. Sundry Deposits	5,66.39	5,14.53
7. Interest accrued but not due on Loans	13.10	24.42
TOTAL	122,47.76	135,70.81
SCHEDULE 'N'	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
PROVISIONS		
1. Provision for Taxation	3,37.53	50.69
2. Provision for Gratuity (Refer Note No. 10 in Schedule 'U')	2,32.83	4,07.68
3. Provision for Employee Leave Benefits	9,11.76	6,85.04
4. Proposed Dividend on Equity Shares	4,12.71	6,87.85
5. Provision for Tax on Distributed Profits	66.95	1,14.24
TOTAL	19,61.78	19,45.50
SCHEDULE 'O'	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary Expenses	—	5.55
TOTAL	—	5.55

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'P'	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
OTHER INCOME FROM OPERATIONS		
1. Incentives on Exports	17,05.00	15,31.89
2. Insurance Claims	24.10	24.10
3. Income in respect of Government Grants	7.32	7.32
4. Sales-tax/VAT Refund	—	7.70
5. Other Excess Provisions written back	2,08.70	8.73
6. Profit on Sale/Disposal of Fixed Assets	25.44	—
7. Cash Discount	53.96	87.38
8. Bad Debts recovered	10.65	11.25
9. Exchange Difference (Net)	—	38.46
10. Manufacturing charges received	2,08.06	64.68
11. Royalty received	14.04	10.60
12. Sundry Credit Balances written back	2,94.34	2,01.51
13. Miscellaneous Income	3,14.59	3,30.07
TOTAL	<u>28,66.20</u>	<u>23,23.69</u>
SCHEDULE 'Q'		
OTHER INCOME		
1. Income from Long-Term Investments (Gross):	(₹ in lacs)	Current Year (₹ in lacs)
(a) Interest on Investments	0.05	Previous Year (₹ in lacs)
(b) Dividend on Other Investments (non trade)	2.98	0.02
	<u> </u>	<u>0.05</u>
		0.07
		3.03
2. Interest on Loans, Deposits, etc. (Gross)		57.04
3. Rent Received		1,17.20
4. Profit on Sale of Investments		0.70
TOTAL		<u>1,77.97</u>
		<u>1,43.57</u>

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'R'	(₹ in lacs)	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
MANUFACTURING AND OTHER EXPENSES			
1. RAW MATERIALS CONSUMED:			
Opening Stock	38,29.82		43,14.53
Add: Purchases	336,89.76		285,30.93
	375,19.58		328,45.46
Less: Closing Stock	52,01.42		38,29.82
		323,18.16	290,15.64
2. PURCHASES OF TRADED GOODS		64,45.28	70,83.48
3. PERSONNEL EXPENSES			
(a) Salaries, Wages, Bonus and Other Benefits	38,48.26		35,94.28
(b) Contribution to Provident Fund and Other Funds	3,46.28		2,97.82
(c) Provision for Gratuity (Refer Note No. 10 in Schedule 'U')	4,42.48		4,09.93
(d) Provision for Other Employee Benefits	2,26.72		1,93.28
(e) Welfare Expenses	3,02.84		2,96.23
		51,66.58	47,91.54
4. OPERATING AND OTHER EXPENSES:			
(a) Stores and Spares Consumed	3,10.29		2,61.23
(b) Power and Fuel	15,96.33		13,07.20
(c) Repairs to Buildings	21.27		11.91
(d) Repairs to Machinery	9,30.06		6,74.27
(e) Other Repairs	2,34.12		2,80.17
(f) Processing Charges	14,55.57		18,16.39
(g) Contractors Labour Charges	5,27.50		3,69.19
(h) Rent/Lease Rent	4,05.07		3,85.23
(i) Rates and Taxes	3,11.16		3,04.56
(j) Insurance Charges	1,30.94		1,07.96
(k) Commission on Sales (other than sole selling agent)	6,35.00		4,82.40
(l) Other Discount	5,58.88		6,21.45
(m) Sales Promotion and Publicity	13,71.27		7,66.81
(n) Travelling and Conveyance	8,02.03		6,61.69
(o) Charity and Donations	2,10.95		1,25.55
(p) Bad Debts/Sundry Debit Balances written off	1,20.19		1,34.35
(q) Provision for Doubtful Debts (Net)	1,20.31		1,67.95
(r) Assets written off	47.89		1,18.95
(s) Excise Duty paid	1,69.07		1,50.06
(t) Exchange Difference (Net)	1,05.75		20.47
(u) Provision for Inventory (Refer Note No. 5 in Schedule 'U')	10,20.00		—
(v) Loss on sale of Fixed Assets	—		5.27
(w) Other Expenses	35,76.23		33,63.45
		146,59.88	121,36.51
5. CONTAINERS AND PACKING MATERIALS		46,58.54	42,41.72
6. TRANSPORT CHARGES		24,08.68	18,31.85
7. DIRECTORS' FEES		4.75	5.73
TOTAL		656,61.87	591,06.47

EXCEL CROP CARE LIMITED

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SCHEDULE 'S'	(₹ in lacs)	Current Year (₹ in lacs)	Previous Year (₹ in lacs)
(INCREASE)/DECREASE IN STOCKS			
(a) Closing Stocks:			
Finished Products	69,57.15		73,32.71
Semi-Finished Products	12,20.66		15,98.81
Traded Products	12,07.65		13,78.60
	<hr/>	93,85.46	<hr/>
			103,10.12
(b) Less:			
Opening Stocks:			
Finished Products	72,27.28		63,83.06
Semi-Finished Products	15,98.81		14,66.83
Traded Products	13,78.60		6,91.49
	<hr/>	102,04.69	<hr/>
		8,19.23	<hr/>
		<hr/> <hr/>	<hr/> <hr/>
			(17,68.74)
SCHEDULE 'T'			
INTEREST			
1. On Fixed Loans		4,75.14	2,97.68
2. On Cash Credit/Working Capital Demand Loan Accounts		2,30.13	3,09.46
3. Others		1,11.67	2,93.38
		<hr/>	<hr/>
TOTAL		8,16.94	<hr/> <hr/>
		<hr/> <hr/>	<hr/> <hr/>
			9,00.52

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U'

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Consolidation:

- (a) The consolidated financial statements comprise of the financial statements of Excel Crop Care Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, joint venture and associates (hereinafter together referred to as "the Group"). The list of subsidiary companies considered for consolidation together with proportion of share holding held by the Group is as follows:

Name of the Subsidiaries	Country of Incorporation	% of Group Holding*
1. Excel Industries (Australia) Pty Limited	Australia	100
2. Excel Industries (Europe) N.V.	Belgium	100
3. ECCL Investments and Finance Limited	India	100
4. Excel Genetics Limited	India	75
5. Excel Crop Care (Africa) Limited (w.e.f. 15 June 2010)	Tanzania	100

*There is no change in the % of group holding as compared to previous year.

- (b) On 30 March 2011, the Company established Excel Brasil Agronegocios Ltda, a wholly owned subsidiary company, in Brazil. The Holding Company has not made any investment in the shares of the said subsidiary company till 31 March 2011. Excel Brasil Agronegocios Ltda had no financial transactions during the year ended 31 March 2011 and hence, it has no Financial Statements for the said financial year.
- (c) The Holding Company 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 31 March 2011 has been considered for preparation of the aforesaid consolidated financial statements.
- (d) For the purpose of preparation of consolidated financial statements, the investment of the Group in its associate companies are accounted for using the Equity Method. The Group has considered the effect of investment in associate company viz. Aimco Pesticides Limited on the financial position and operating results of the Group on the basis of unaudited financial statements for the year ended 31 March 2011 of the said associate.

The associate companies considered for consolidation together with proportion of share holding held by the Group is as under:

	Country of Incorporation	% of Group Holding*
Aimco Pesticides Limited	India	25.23
Kutch Crop Services Limited	India	40.00
Excel Bio Resources Limited	India	49.02

* There is no change in the % of group holding as compared to previous year.

- (e) For the purpose of consolidation, the financial statements of each of the subsidiary companies and associate companies drawn upto the same reporting period viz. year ended 31 March 2011 have been considered.
- (f) 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 (as amended).
- (g) Changes have been made in the accounting policies followed by each of the subsidiaries and associates to the extent they were material and identifiable from their respective audited accounts to make them uniform with the accounting policies followed by the Holding Company.
Where it has not been practicable to use uniform accounting policies in preparing the consolidated financial statements, the different accounting policies followed by each of the Group companies are stated in Note No. 2 below, if material.
- (h) Translation of the financial statements of foreign subsidiaries for incorporation in the consolidated financial statements have been done by using the following exchange rates:
- Assets and liabilities have been translated by using the rates prevailing as on the date of the balance sheet.
 - Income and expense items have been translated by using the average rate of exchange.
 - Exchange Difference arising on translation of financial statements as specified above is recognised in the Foreign Currency Translation Reserve.
- (i) Goodwill arising on consolidation is tested for impairment as at the Balance Sheet date.

2. Significant Accounting Policies:

The significant accounting policies followed by the Group in the consolidated financial statements are stated hereunder. In case the uniform accounting 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.

(a) Basis of Preparation:

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

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (b) Use of estimates:
The preparation of consolidated 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 consolidated 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:
Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. 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.
- (d) Depreciation:
- (i) In respect of Buildings, Plant and Machinery and Electrical Installations, on straight line basis in accordance with Section 205(2)(b) of the Companies Act, 1956, at or above the straight line rates specified in Schedule XIV to the Companies Act, 1956.
 - (ii) 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.
 - (iii) In respect of additions to/deletions from the Fixed Assets, on pro-rata basis with reference to the date of addition/deletion of the assets except for assets costing ₹ 5,000 or less which have been fully depreciated.
 - (iv) Leasehold Improvements have been depreciated on straight line basis over the lease period.
- (e) Impairment:
- (i) 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 recognised 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 using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.
 - (ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
 - (iii) A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.
- (f) Intangible Assets and Amortisation:
- (i) Intangible assets are stated at cost less accumulated amortisation.
 - (ii) Amortisation of Expenses:
Data Registration expenses (including registration fees) are amortised on a straight line basis over a period of three years, Computer Software/licence fees and Data compensation charges are amortised on a straight line basis over a period of four years and Germ Plasm expenses are amortised on a straight line basis over a period of five years.
 - (iii) 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 accounts. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period of expected future sales from the related project, not exceeding ten years.
The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.
- (g) Leased Assets:
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. Lease income is recognised in the Profit and Loss Account on an accrual basis.
- (h) Government Grants and Subsidies:
When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.
- (i) Investments:
Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost of acquisition. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.
- (j) Accounting for Derivatives:
Derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(k) Inventories:

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.
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. Approximately 97% of the total finished goods inventory as on 31 March 2011 has been valued on standard cost basis.
Traded Goods	Lower of cost and net realisable value. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

(l) Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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

Revenue 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.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

Royalty

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

Other Income

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

(m) Foreign currency translations:

(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 Group 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 except those arising from investments in non-integral operations.

(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.

(n) Retirement and other employee 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. In case of the Holding Company, the scheme is funded with Insurance Company in the form of a qualifying insurance policy.

(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. In case of the Holding Company, the scheme is funded with Insurance companies in the form of qualifying insurance policies.

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (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.
- (o) Tax Expense:
- Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities. 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 and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. 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 Group 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.
- At each balance sheet date the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group 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.
- (p) 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 preference dividends and 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.
- (q) 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 Group has a possible obligation and it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
- (r) Cash and Cash equivalents:
- Cash and cash equivalents in the Cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
- (s) Segment Reporting:
- Identification of segments:
- The Group's operating businesses are organised and managed separately according to the nature of products and services 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 Group operate.
- Segment Policies:
- The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.
- (t) 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 Operations" as 'Incentives on Exports'.

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)			
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS			
	As at 31st March, 2011 (₹ in lacs)	As at 31st March, 2010 (₹ in lacs)	
3.	Contingent Liabilities:		
	(a) Disputed excise-duty liability	4.40	2.77
	(b) Disputed service-tax liability	36.05	34.45
	(c) Disputed Income-tax liability	1,20.79	1,05.38
	(d) Disputed Sales-tax liability	73.18	11.57
	(e) Guarantees given by the Holding Company's bankers to third parties	51.15	79.46
	(f) Liability in respect of employee(s) disputes	Amount	Amount
		unascertainable	unascertainable
	(g) Claims against the Group not acknowledged as debts	44.23	19.86
4.	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	9,06.27	1,39.34
5.	On a writ petition filed by Democratic Youth Federation of India against the Union of India and State Governments seeking a ban on Endosulfan (a major product of the Holding Company) citing health concerns, the Hon'ble Supreme Court opined that a detailed study on an all India basis needed to be undertaken by an Expert Committee to address the said health concerns. By an ad-interim order passed on 13th May 2011, the Hon'ble Supreme Court has appointed a Joint Committee headed by the Director General of Indian Council of Medical Research and the Commissioner (Agriculture) to conduct a scientific study and submit its interim report within eight weeks. Pending submission of the interim report, the order bans the production, use and sale of Endosulfan all over India till further orders. In compliance with the ad-interim order of the Hon'ble Supreme Court, the Holding Company immediately suspended production and sale of Endosulfan. Out of abundant caution, a provision of ₹ 10,20.00 lacs has been made in respect of the inventory items relating to Endosulfan as at 31st March, 2011.		
6.	Break up of Deferred Tax Assets and Deferred Tax Liabilities:		
	(a) Deferred Tax Assets:		
	(i) Liabilities Allowable on Payment basis	2,92.64	2,06.76
	(ii) Provision for Doubtful Debts	1,31.91	97.29
	(iii) Provision for Inventory	3,30.94	—
	(iv) Others	5.27	0.42
		<u>7,60.76</u>	<u>3,04.47</u>
	(b) Deferred Tax Liabilities:		
	Depreciation	<u>16,84.20</u>	<u>16,80.85</u>
		Current Year (₹ in lacs)	Previous Year (₹ in lacs)
7.	The amount of exchange differences in respect of forward exchange contracts to be recognised as an income/ (expense) in the Profit and Loss Account of the subsequent year.	27.73	(4.67)
8.	Research and Development costs debited to the Profit and Loss Account are as under:		
	(i) Revenue expenses	7,24.55	5,81.27
	(ii) Depreciation	42.53	39.66
		<u>7,67.08</u>	<u>6,20.93</u>
9.	Consolidated Earnings Per Share:		
	(1) Profit after tax	42,31.31	37,99.68
	Add:		
	Prior Period Adjustments (Net)	(24.75)	9.63
	Minority Interest	21.24	2.67
	Share of Profit/(Loss) in Associate	42.67	(90.39)
	Profit Attributable to Equity Shareholders (A)	<u>42,70.47</u>	<u>37,21.59</u>
	(2) Number of Equity Shares outstanding during the year (B)	Nos. 1,10,05,630	Nos. 1,10,05,630
	(3) Earnings per Share (A)/(B) (basic and diluted)	(₹) 38.80	(₹) 33.82
	(4) Face Value of Equity Share	5.00	5.00

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)		
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS		
10. Details of Employee Benefits:		
I. Defined Benefit Plans - Gratuity:		
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 of 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 qualifying insurance policies in the case of Excel Crop Care Limited.		
(a) The amounts recognised in the statement of Profit and Loss Account are as follows:		
Defined Benefit Plan	Current Year	Previous Year
	(₹ in lacs)	(₹ in lacs)
Current Service cost	1,28.66	1,04.04
Interest cost on benefit obligation	1,60.13	1,26.38
Expected return on plan assets	(1,66.40)	(1,29.70)
Net actuarial (gain)/loss recognised during the year	3,15.48	3,09.21
Amount included under the head personnel expenses in Schedule 'R' Manufacturing and Other Expenses.	4,37.87	4,09.93
Actual return on plan assets	1,85.79	1,45.00
(b) The amounts recognised in the Balance Sheet are as follows:		
Present value of funded obligation	As at 31st	As at 31st
Less: Fair value of plan assets	March, 2011	March, 2010
	(₹ in lacs)	(₹ in lacs)
Net Liability included under the head Provision for Gratuity, in Schedule 'N'-Provisions	24,59.00	20,66.06
	22,26.17	16,58.38
	2,32.83	4,07.68
(c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:		
Opening defined benefit obligation	As at 31st	As at 31st
Interest cost	March, 2011	March, 2010
Current service cost	(₹ in lacs)	(₹ in lacs)
Benefits paid	20,66.06	16,30.76
Actuarial (gains)/loss on obligation	1,60.13	1,26.38
Closing defined benefit obligation	1,28.66	1,04.04
	(2,31.76)	(1,62.69)
	3,35.91	3,67.57
	24,59.00	20,66.06
(d) Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	As at 31st	As at 31st
Expected return	March, 2011	March, 2010
Contributions made by employer during the year	(₹ in lacs)	(₹ in lacs)
Benefits paid	16,58.38	14,11.97
Actuarial gains	1,66.40	1,29.70
Closing fair value of plan assets	6,12.72	2,21.04
	(2,31.76)	(1,62.69)
	20.43	58.36
	22,26.17	16,58.38
(e) Expected contribution to defined benefit plan for the year:		
The major categories of plan assets as a percentage of fair value of total plan assets are as follows:		
Insurer Managed Funds (Life Insurance Corporation of India)	95.46%	100.00%
Insurer Managed Funds (Kotak Mahindra Old Mutual Life Insurance Limited)	4.54%	—
	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.		

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)		Current Year	Previous Year			
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS						
(f)	The principal actuarial assumptions at the Balance Sheet date.					
	Excel Crop Care Limited					
	Discount rate	8%	7.75%			
	Expected rate of return on plan assets	9%	9%			
	Expected rate of salary increase	10%	8%			
	Mortality table	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate			
	Proportion of employees opting for early retirement	1% to 5%	1% to 5%			
	Excel Genetics Limited					
	Discount rate	8.50%	8.25%			
	Expected rate of return on plan assets	—	—			
	Expected rate of salary increase	6%	6%			
	Mortality table	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate			
	Proportion of employees opting for early retirement	1% to 5%	1% to 5%			
NOTES:						
(i)	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.					
(ii)	Amounts for the current and previous four periods as per Para 120(n)(i) of Accounting Standard 15 'Employee Benefits' (Revised, 2003) ('AS-15') are as follows:					
		Gratuity (₹ in lacs)				
		2011	2010	2009	2008	2007
	Defined benefit obligation	24,59.00	20,66.06	16,30.40	12,53.03	3,33.91
	Plan assets	22,26.17	16,58.38	14,11.97	11,67.78	—
	Surplus / (deficit)	(2,32.83)	(4,07.68)	(2,18.43)	(85.25)	(3,33.91)
	Experience adjustments on plan liabilities	63.00	1,00.79	*	*	*
	Experience adjustments on plan assets	20.43	58.36	*	*	*
	* The disclosure required under Para 120(n)(ii) of AS-15 pertaining to experience adjustments on plan assets and plan liabilities is not given as such information is not available with the Group.					
II. Defined Contribution Plans						
(i)	Provident Fund is a defined contribution scheme established under a State Plan.					
(ii)	Superannuation Fund is a defined contribution scheme. The scheme is funded with an insurance company in the form of a qualifying insurance policy.					
(iii)	Defined Contribution Plan			Current Year (₹ in lacs)	Previous Year (₹ in lacs)	
	Current service cost included under the head Personnel Expenses in Schedule 'R' Manufacturing and Other Expenses.					
	Provident Fund and Family Pension Fund			2,05.30	1,83.98	
	Superannuation Fund			99.74	83.30	

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

11. 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:

The Group have entered into transactions with the following related parties as identified by the Group and relied upon by the Auditors:

(A) **Relationships:**

(1) **Associate Companies:**

Aimco Pesticides Limited
Kutch Crop Services Limited
Excel Bio Resources Limited

(2) **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
Divakar Chemicals Limited
Excel Industries Limited
Hyderabad Chemicals Limited
Hyderabad Chemical Products Limited
Mumukshu Finance & Services Limited
Parul Chemicals Limited
Pritami Investments Private Limited
Shroff Family Charitable Trust
Shroffs Foundation Trust
Shrujan
Shrodip Investments Private Limited
TML Industries Limited
Transpek Industry Limited
Transpek Industry (Europe) Limited
Utkarsh Chemicals Private Limited
Shree Vivekanand Research & Training Institute

(3) **Key Management Personnel:**

Mr. Ashwin C. Shroff (Chairman)
Mr. Dipesh K. Shroff (Managing Director)
Mr. Prakash K. Shroff (Executive Director)
Mr. Jagdish R. Naik (Director)

(4) **Relatives of Key Management Personnel:**

Mrs. Usha A. Shroff (Wife of Mr. Ashwin C. Shroff)
Mr. Ravi A. Shroff (Son of Mr. Ashwin C. Shroff)
Mr. Hrishit A. Shroff (Son of Mr. Ashwin C. Shroff)
Mrs. Anshul Bhatia (Daughter of Mr. Ashwin C. Shroff)
Mr. Kantisen C. Shroff (Father of Mr. Dipesh K. Shroff)
Mrs. Chanda Kantisen Shroff (Mother of Mr. Dipesh K. Shroff)
Mrs. Preeti Dipesh Shroff (Wife of Mr. Dipesh K. Shroff)
Mrs. Priti P. Shroff (Wife of Mr. Prakash K. Shroff)
Mr. Kunal P. Shroff (Son of Mr. Prakash K. Shroff)
Mr. Harish K. Shroff (Brother of Mr. Prakash K. Shroff)
Mrs. Tarla K. Rajda (Sister of Mr. Prakash K. Shroff)
Late Mr. Ramanlal M. Naik (Father of Mr. Jagdish R. Naik)
Mrs. Tejal Jagdish Naik (Wife of Mr. Jagdish R. Naik)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
1. INCOME					
(a) Sale of Goods (Net of rebate and discount)					
Aimco Pesticides Limited	30.88	—	—	—	30.88
	(29.36)	(—)	(—)	(—)	(29.36)
Agrocel Industries Limited	—	5,48.48	—	—	5,48.48
	(—)	(3,55.95)	(—)	(—)	(3,55.95)
Hyderabad Chemicals Limited	—	7,10.79	—	—	7,10.79
	(—)	(4,87.03)	(—)	(—)	(4,87.03)
Hyderabad Chemical Products Limited	—	—	—	—	—
	(—)	(1,54.05)	(—)	(—)	(1,54.05)
Parul Chemicals Limited	—	—	—	—	—
	(—)	(82.76)	(—)	(—)	(82.76)
Others	—	2,53.88	—	—	2,53.88
	(—)	(61.02)	(—)	(—)	(61.02)
	30.88	15,13.15	—	—	15,44.03
	(29.36)	(11,40.81)	(—)	(—)	(11,70.17)
(b) Interest					
Agrocel Industries Limited	—	20.12	—	—	20.12
	(—)	(3.90)	(—)	(—)	(3.90)
(c) Royalty					
TML Industries Limited	—	15.49	—	—	15.49
	(—)	(12.19)	(—)	(—)	(12.19)
(d) Rent					
Excel Industries Limited	—	24.12	—	—	24.12
	(—)	(22.10)	(—)	(—)	(22.10)
Agrocel Industries Limited	—	23.23	—	—	23.23
	(—)	(22.75)	(—)	(—)	(22.75)
Anshul Specialty Molecules Limited	—	22.74	—	—	22.74
	(—)	(20.84)	(—)	(—)	(20.84)
C. C. Shroff Research Institute	—	58.26	—	—	58.26
	(—)	(53.41)	(—)	(—)	(53.41)
Others	—	—	—	—	—
	(—)	(0.08)	(—)	(—)	(0.08)
	—	1,28.35	—	—	1,28.35
	(—)	(1,19.18)	(—)	(—)	(1,19.18)
(e) Processing Charges					
Hyderabad Chemicals Limited	—	2,08.06	—	—	2,08.06
	(—)	(64.68)	(—)	(—)	(64.68)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
(f) Others					
Agrocel Industries Limited	—	7.06	—	—	7.06
	(—)	(—)	(—)	(—)	(—)
Aimco Pesticides Limited	22.18	—	—	—	22.18
	(—)	(—)	(—)	(—)	(—)
Anshul Speciality Molecules Limited	—	6.51	—	—	6.51
	(—)	(—)	(—)	(—)	(—)
C. C. Shroff Research Institute	—	13.69	—	—	13.69
	(—)	(—)	(—)	(—)	(—)
Excel Industries Limited	—	6.91	—	—	6.91
	(—)	(—)	(—)	(—)	(—)
Kutch Crop Services Limited	—	—	—	—	—
	(22.15)	(—)	(—)	(—)	(22.15)
Others	—	—	—	—	—
	(—)	(0.36)	(—)	(—)	(0.36)
	22.18	34.17	—	—	56.35
	(22.15)	(0.36)	(—)	(—)	(22.51)
2. EXPENSES					
(a) Purchase of Goods					
Excel Industries Limited	—	34,46.56	—	—	34,46.56
	(—)	(28,72.89)	(—)	(—)	(28,72.89)
Parul Chemicals Limited	—	—	—	—	—
	(—)	(13,27.36)	(—)	(—)	(13,27.36)
TML Industries Limited	—	16,68.38	—	—	16,68.38
	(—)	(21,61.44)	(—)	(—)	(21,61.44)
Hyderabad Chemical Products Limited	—	—	—	—	—
	(—)	(10,80.96)	(—)	(—)	(10,80.96)
Aimco Pesticides Limited	—	—	—	—	—
	(28.84)	(—)	(—)	(—)	(28.84)
Kutch Crop Services Limited	22.55	—	—	—	22.55
	(—)	(—)	(—)	(—)	(—)
Agrocel Industries Limited	—	12,52.20	—	—	12,52.20
	(—)	(—)	(—)	(—)	(—)
Others	—	21,61.98	—	—	21,61.98
	(—)	(9,50.23)	(—)	(—)	(9,50.23)
	22.55	85,29.12	—	—	85,51.67
	(28.84)	(83,92.88)	(—)	(—)	(84,21.72)
(b) Purchase of Services					
Agrocel Industries Limited	—	—	—	—	—
	(—)	(16.12)	(—)	(—)	(16.12)
C. C. Shroff Research Institute	—	3.94	—	—	3.94
	(—)	(9.92)	(—)	(—)	(9.92)
Excel Industries Limited	—	—	—	—	—
	(—)	(37.87)	(—)	(—)	(37.87)
	—	3.94	—	—	3.94
	(—)	(63.91)	(—)	(—)	(63.91)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
(c) Rent					
Excel Industries Limited	—	42.36	—	—	42.36
	(—)	(42.36)	(—)	(—)	(42.36)
Prakash K Shroff	—	—	0.90	—	0.90
	(—)	(—)	(0.45)	(—)	(0.45)
	—	42.36	0.90	—	43.26
	(—)	(42.36)	(0.45)	(—)	(42.81)
(d) Commission					
Divakar Chemicals Limited	—	18.58	—	—	18.58
	(—)	(7.32)	(—)	(—)	(7.32)
(e) Charity & Donations					
Shrujan	—	1,10.00	—	—	1,10.00
	(—)	(15.00)	(—)	(—)	(15.00)
Shroffs Foundation Trust	—	5.00	—	—	5.00
	(—)	(10.00)	(—)	(—)	(10.00)
Shroff Family Charitable Trust	—	—	—	—	—
	(—)	(10.00)	(—)	(—)	(10.00)
Shree Vivekanand Research & Training Institute	—	24.50	—	—	24.50
	(—)	(23.35)	(—)	(—)	(23.35)
	—	1,39.50	—	—	1,39.50
	(—)	(58.35)	(—)	(—)	(58.35)
(f) Processing Charges					
Excel Industries Limited	—	11,30.72	—	—	11,30.72
	(—)	(11,74.30)	(—)	(—)	(11,74.30)
TML Industries Limited	—	1,24.49	—	—	1,24.49
	(—)	(5,88.08)	(—)	(—)	(5,88.08)
Others	—	41.61	—	—	41.61
	(—)	(23.21)	(—)	(—)	(23.21)
	—	12,96.82	—	—	12,96.82
	(—)	(17,85.59)	(—)	(—)	(17,85.59)
(g) Research & Development Expenses					
C.C. Shroff Research Institute	—	1,32.36	—	—	1,32.36
	(—)	(1,32.36)	(—)	(—)	(1,32.36)
(h) Royalty					
Excel Industries Limited	—	1,13.42	—	—	1,13.42
	(—)	(80.04)	(—)	(—)	(80.04)
(i) Remuneration					
Dipesh K. Shroff	—	—	75.08	—	75.08
	(—)	(—)	(95.28)	(—)	(95.28)
Prakash K. Shroff	—	—	60.60	—	60.60
	(—)	(—)	(69.15)	(—)	(69.15)
Others	—	—	—	9.05	9.05
	(—)	(—)	(—)	(5.73)	(5.73)
	—	—	1,35.68	9.05	1,44.73
	(—)	(—)	(1,64.43)	(5.73)	(1,70.16)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
(j) Directors' Commission (Other than Managing Director and Executive Director) in respect of earlier year					
Ashwin C. Shroff	— (—)	— (—)	4.75 (4.00)	— (—)	4.75 (4.00)
J.R. Naik	— (—)	— (—)	20.00 (16.50)	— (—)	20.00 (16.50)
	— (—)	— (—)	24.75 (20.50)	— (—)	24.75 (20.50)
(k) Directors' Sitting Fees					
Ashwin C. Shroff	— (—)	— (—)	0.65 (0.55)	— (—)	0.65 (0.55)
J.R. Naik	— (—)	— (—)	0.85 (0.80)	— (—)	0.85 (0.80)
	— (—)	— (—)	1.50 (1.35)	— (—)	1.50 (1.35)
(l) Legal & Professional Charges					
J.R. Naik	— (—)	— (—)	31.71 (28.40)	— (—)	31.71 (28.40)
(m) Others (Miscellaneous purchase/ reimbursement of expenses)					
Shrujan	— (—)	6.87 (6.52)	— (—)	— (—)	6.87 (6.52)
C.C. Shroff Self Help Centre	— (—)	1.71 (6.60)	— (—)	— (—)	1.71 (6.60)
Agrocel Industries Limited	— (—)	6.95 (2.47)	— (—)	— (—)	6.95 (2.47)
Excel Bio Resources Limited	30.80 (—)	— (—)	— (—)	— (—)	30.80 (—)
Transpek Industry Limited	— (—)	1.72 (—)	— (—)	— (—)	1.72 (—)
Others	— (24.54)	— (4.33)	— (—)	— (—)	— (28.87)
	30.80 (24.54)	17.25 (19.92)	— (—)	— (—)	48.05 (44.46)
3. FINANCE/OTHERS					
(a) Loans/Advance given					
Agrocel Industries Limited	— (—)	2,72.15 (2,11.00)	— (—)	— (—)	2,72.15 (2,11.00)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
(b) Dividend Paid					
Anshul Specialty Molecules Limited	—	24.36	—	—	24.36
	(—)	(19.49)	(—)	(—)	(19.49)
Hyderabad Chemicals Limited	—	9.37	—	—	9.37
	(—)	(—)	(—)	(—)	(—)
Utkarsh Chemicals Private Limited	—	29.59	—	—	29.59
	(—)	(23.64)	(—)	(—)	(23.64)
Others	—	28.12	6.42	15.04	49.58
	(—)	(30.40)	(5.08)	(11.90)	(47.38)
	—	91.44	6.42	15.04	1,12.90
	(—)	(73.53)	(5.08)	(11.90)	(90.51)
(c) Security Deposits Taken					
Agrocel Industries Limited	—	—	—	—	—
	(—)	(7.68)	(—)	(—)	(7.68)
Anshul Specialty Molecules Limited	—	—	—	—	—
	(—)	(10.31)	(—)	(—)	(10.31)
C.C. Shroff Research Institute	—	—	—	—	—
	(—)	(21.67)	(—)	(—)	(21.67)
Excel Industries Limited	—	—	—	—	—
	(—)	(10.93)	(—)	(—)	(10.93)
	—	—	—	—	—
	(—)	(50.59)	(—)	(—)	(50.59)
(d) Purchase of Fixed Assets					
Excel Industries Limited	—	—	—	—	—
	(—)	(3.78)	(—)	(—)	(3.78)
4. OUTSTANDINGS AS AT THE BALANCE SHEET DATE					
(a) Amounts Receivable/Recoverable (Net)					
Aimco Pesticides Limited	2,92.22	—	—	—	2,92.22
	(3,53.05)	(—)	(—)	(—)	(3,53.05)
Agrocel Industries Limited	—	1,19.09	—	—	1,19.09
	(—)	(2,74.96)	(—)	(—)	(2,74.96)
Hyderabad Chemicals Limited	—	1,32.94	—	—	1,32.94
	(—)	(49.57)	(—)	(—)	(49.57)
Hyderabad Chemical Products Limited	—	—	—	—	—
	(—)	(2,32.90)	(—)	(—)	(2,32.90)
Kutch Crop Services Limited	80.22	—	—	—	80.22
	(1,17.98)	(—)	(—)	(—)	(1,17.98)
Others	—	0.61	—	—	0.61
	(22.15)	(52.89)	(—)	(—)	(75.04)
	3,72.44	2,52.64	—	—	6,25.08
	(4,93.18)	(6,10.32)	(—)	(—)	(11,03.50)

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transactions	Associate Companies	Other Enterprises	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	(₹ in Lacs) Total
(b) Amount Payable (Net)					
C.C. Shroff Research Institute	—	1,75.88	—	—	1,75.88
	(—)	(1,45.77)	(—)	(—)	(1,45.77)
Excel Industries Limited	—	8,98.04	—	—	8,98.04
	(—)	(11,89.66)	(—)	(—)	(11,89.66)
Hyderabad Chemical Products Limited	—	33.50	—	—	33.50
	(—)	(1,63.75)	(—)	(—)	(1,63.75)
Parul Chemicals Limited	—	15.56	—	—	15.56
	(—)	(2,73.05)	(—)	(—)	(2,73.05)
TML Industries Limited	—	—	—	—	—
	(—)	(2,24.25)	(—)	(—)	(2,24.25)
Remuneration to Dipesh K. Shroff	—	—	23.21	—	23.21
	(—)	(—)	(48.47)	(—)	(48.47)
Remuneration to Prakash K. Shroff	—	—	24.18	—	24.18
	(—)	(—)	(35.29)	(—)	(35.29)
Others	—	1,17.50	7.45	—	1,24.95
	(—)	(1,29.74)	(3.42)	(—)	(1,33.16)
	—	12,40.48	54.84	—	12,95.32
	(—)	(21,26.22)	(87.18)	(—)	(22,13.40)

(Figures in brackets relate to the Previous Year)

(Above figures are gross of tax)

12. The Company has availed of the exemption granted by notification dated 8th February, 2011 issued by the Ministry of Corporate Affairs (MCA) under Section 212 of the Companies Act, 1956. The information relating to each subsidiary company in terms of said notification is as follows:

Sr. No.	Name of the Company	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investment other than Investment in Subsidiary Company (Refer schedule G for details)	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
1.	Excel Industries (Europe) N.V.	EUR	63.27 (60.69)	39.86 (38.23)	9,92.94 (9,79.38)	16,10.19 (13,12.48)	5,77.39 (2,94.87)	— (—)	13,76.03 (6,97.76)	-28.17 (-1,27.03)	— (1.31)	-28.17 (-1,25.72)	— (—)
2.	Excel Industries (Australia) Pty Limited	AUD	46.16 (41.20)	11.54 (10.30)	66.79 (65.22)	84.01 (1,07.78)	5.68 (32.26)	— (—)	1,02.29 (2,06.75)	-8.92 (13.86)	-2.64 (7.61)	-6.28 (6.25)	— (—)
3.	Excel Crop Care (Africa) Limited	TZS	0.03 (—)	50.49 (—)	-5.04 (—)	47.78 (—)	2.33 (—)	— (—)	— (—)	-7.21 (—)	-2.16 (—)	-5.05 (—)	— (—)
4.	Excel Genetics Limited	INR	1.00 (1.00)	3,00.00 (20.00)	-1,42.02 (-57.03)	2,70.36 (2,52.44)	1,12.38 (2,89.47)	61.14 (0.38)	3,74.66 (1,98.05)	-84.97 (-47.74)	— (—)	-84.97 (-47.74)	— (—)
5.	ECCL Investments and Finance Limited	INR	1.00 (1.00)	5.00 (5.00)	-1.69 (-0.82)	4.26 (4.78)	0.94 (0.60)	— (—)	— (—)	-0.77 (-0.16)	0.10 (—)	-0.87 (-0.16)	— (—)
6.	Excel Brasil Agronegocios Ltda	BR \$	27.38 (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)

(Figures in brackets relate to the Previous Year)

Notes:

- On 30 March 2011, the Company established Excel Brasil Agronegocios Ltda, a wholly owned subsidiary company, in Brazil. The Holding Company has not made any investment in the shares of the said subsidiary company till 31 March 2011. Excel Brasil Agronegocios Ltda had no financial transactions during the year ended 31 March 2011 and hence, it has no Financial Statements for the said financial year.
- As required by the notification issued by MCA, Indian Rupees equivalent of the figures given in foreign currencies in the accounts of the foreign subsidiaries have been given based on exchange rate as on 31 March 2011.

EXCEL CROP CARE LIMITED

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

SCHEDULE 'U' (Contd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

3. Details of Investment of subsidiary companies:

	As at 31st March, 2011	As at 31st March, 2010
	(₹ in Lacs)	(₹ in Lacs)
In National Saving Certificates	0.79	0.38
In Mutual Funds	60.35	—
Total	61.14	0.38

13. Segment Information:

Primary Business Segment: The Group has only one business segment viz. Agri Inputs.

Secondary Business Segment: Information in respect of geographical segments is as shown below:

	Current Year (₹ in lacs)			Previous Year (₹ in lacs)		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue	487,07.81	259,37.76	746,45.57	414,50.80	235,56.84	650,07.64
Carrying amount of Segment Assets	377,46.44	115,13.93	492,60.37	371,94.53	119,31.27	491,25.80
Additions to Fixed Assets (including Capital Work-in-progress) and Intangibles	26,69.01	38.58	27,07.59	17,88.30	0.34	17,88.64

14. Operating Leases:

Office premises, Guest House and other assets are obtained on operating leases for various tenors. None of the operating leases are renewable. There is no escalation clause in the lease agreements/arrangements. There are no restrictions imposed by lease agreements/arrangements. There are subleases entered into by the Holding Company in respect of the office premises taken on lease. All the aforesaid leases are cancellable as per the terms and conditions mentioned in the agreements.

	2010-11 (₹ in lacs)	2009-10 (₹ in lacs)
(i) Lease payments for the year	3,90.78	3,76.74
(ii) Sub-lease payments received during the year	1,18.16	1,09.88
(iii) Minimum lease payments as at 31st March		
(a) Not later than one year	2,71.61	2,50.00
(b) Later than one year but not later than five years	5,82.69	7,08.32
(c) Later than five years	Nil	Nil

15. Excise duty on sales amounting to ₹ **46,73.95 lacs** (Previous Year: ₹ 30,42.16 lacs) has been reduced from sales in Profit & Loss Account and excise duty expense in Schedule 'R' includes ₹ **1,69.07 lacs** (Previous Year: ₹ 1,50.06 lacs) being excise duty on increase/decrease in stocks.

16. 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 Number: 301003E
Chartered Accountants.

per VIJAY MANIAR
Partner
Membership No.: 36738

Mumbai
25 May 2011

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Executive Director

K. SRINIVASAN
Senior Vice President
(Finance & Accounts)

Mumbai
25 May 2011

DIPESH K. SHROFF
Managing Director

J. R. NAIK
Director

PRAVIN D. DESAI
Vice President
(Finance & Accounts) &
Company Secretary

EXCEL CROP CARE 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..... in the district of
..... being a member/members of the abovenamed Company hereby appoint
..... of in the district of
..... or failing him/her of
..... in the district of
as my/our proxy to vote for me/us on my/our behalf at the FORTY-SEVENTH ANNUAL GENERAL MEETING of the Company to be held on Wednesday, the 27th July, 2011, and at any adjournment thereof.

Signed this day of 2011.

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.

TEAR HERE

EXCEL CROP CARE LIMITED

Registered Office:

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

ATTENDANCE SLIP

47th Annual General Meeting on Wednesday, 27th July, 2011

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-SEVENTH ANNUAL GENERAL MEETING of the Company held at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai-400 020 on Wednesday, the 27th July, 2011 at 3.00 p.m.

.....
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.

BOARD OF DIRECTORS

Aswinikumar Singh : Director
Rameshchandra Parwal : Director
Bimleshkumar Mishra : Chairman & Managing Director

REGISTERED OFFICE:

G - 4, Vyavsaya Building,
Near Varai Mata Temple,
Urmi - Dinesh Mill Road,
Vadodara - 390007.

ANNUAL GENERAL MEETING

Venue : Regd. Office Address
Date : Sept. 30, 2010
Time : 11.00 a.m.

AUDITORS

Sirish Dalal & Associates

BANKERS

Charotar Nagarik Sahakari Bank Ltd.
Syndicate Bank

BOOK CLOSURE

28.09.2010 to 30.09.2010

NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the members of Gujarat Narmada Flyash Company Ltd. will be held at its Registered Office, on 30th September 2010 at 11.00 a.m. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010 and the P&L a/c. for the year ended that date together with the Reports of Auditor's and Director's thereon.
2. To appoint a Director in place of Bimleshkumar Mishra, who retires by rotation and being eligible, offers for re-appointment.
3. To appoint the Auditors to hold the office from the conclusion of AGM until the conclusion of next AGM of the Company and to fix their remuneration.

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. The Proxy form should be deposited at the registered office of the Company not less than forty eight hours before the meeting.
3. Share Holders are requested to intimate change in their address, if any, immediately.
4. The Registered of Members and Share Transfer Book of the Company will remain closed from 28-09-2010 to 30-09-2010.
5. The equity shares of the company are listed at the Vadodara Stock Exchange Ltd., the Stock Exchange Ahmedabad, and the Stock Exchange Mumbai.

Place : Gujarat
Date : 01-09-2010

By order of the Board
For Gujarat Narmada Flyash Co Ltd
SD/-
(B. K. Mishra)
Chairman & Managing Director

Directors Report

To,
The Members,
Gujarat Narmada Flyash Co Ltd
Gujarat, Vadodara.

Your Directors have pleasure in presenting before you the 18th ANNUAL REPORT of the Company together with the Audited Statement of Accounts for the year ended 31st March,2010

FINANCIAL RESULTS	31st March 2010	31st March 2009
Turn Over	602,560	599,400
Profit (Loss) Before Tax	14,515	6,355
Provision for Taxation	NIL	NIL
Profit (Loss) After Tax	14,515	6,355

OPERATIONAL HIGHLIGHTS

Due to the performance of the Company during the Period under review was not as projected, however Directors are confident of posting the higher of growth in the operation in the coming years, thereby recovering the losses incurred in the previous years.

DIVIDEND

In view of loss, your directors do not recommend payment of any dividend to the shareholder.

DIRECTORS

Bimleshkumar Mishra, Director of the company retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS

M/s. Sirish Dalal & Associates, Chartered Accountants, Ahmedabad, the Auditors of the Company retire at the conclusion of this Annual General Meeting. They are eligible for reappointment and indicated their willingness to act as an Auditor, if appointed and the appointment shall be in the limits prescribed under the provision of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There was no employee in the Company whose particulars are required to be furnished as per section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO.

The information under section 217(1) (e) of the Companies Act, 1956 on Conservation of Energy, Technology Absorption as required to be disclosed is not applicable to the company during the year under review the Company has no foreign exchange earnings and outgo.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby report that :

- (a) in the preparation of annual accounts, the applicable accounting standards have been followed;
- (b) Appropriate accounting policies have been selected and applied consistently and judgements and estimates made that are responsible and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2010;
- (c) Proper and sufficient care has been taken 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 fraud and other irregularities:
- (d) Annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE AND COMPLIANCE

A report on corporate governance along with Management Discussion and Analysis is annexed to this report. A certificate from Statutory Auditors with regards to the compliance of the corporate governance, as stipulated in Clause 49 of the Listing Agreement, by the company is annexed to this report.

The company has fully complied with all mandatory requirements prescribed under Clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

ACKNOWLEDGEMENT

The Board of Directors take the opportunity to thank the Bankers and Government for the Co-operations and support by them from time to time in the operation of the company during the year. The Board also place on record its deep appreciation for the contribution made by the employees at all levels.

Place : Gujarat
Date : 01-09-2010

By order of the Board
For Gujarat Narmada Flyash Co Ltd
SD/-
(B. K. Mishra)
Chairman & Managing Director

ANNEXURE –A to the Director’s Report for the year ended 31st March, 2010.**REPORT ON CORPORATE GOVERNANCE****1. COMPANY’S PHILOSOPHY**

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organisation’s functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company’s policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients’ interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of Three Directors including the Executive Chairman. Out of 3, 2 directors are non-executive directors. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

Board procedure

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

Composition, Category of Directors and their other directorship and Membership / Chairmanship of Committees.

Sr. No	Name Of Director	Category	Name of Others		
			Directorship	Committee M.ship	Committee Chairmanship
1	Ashwinikumar Singh	Director	-	-	-
2	Ramesh Chandra Parwal	Director	-	-	-
3	Bimleshkumar Mishra	Chairman & M.D.	-	-	-

During the year 5 Board Meetings were held on 28-04-09, 15-06-09, 28-07-09, 28-10-09 and 28-01-2010. The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

Sr.No	Name Of Director	No. Of Board Meeting Attended	Attendance at the AGM Held on 30-09-2010
1	Ashwinikumar Singh	5	YES
2	Ramesh Chandra Parwal	5	YES
3	Bimleshkumar Mishra	5	YES

3. AUDIT COMMITTEE

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee. The Details of Audit Committee meetings held during the year April 2009 to March 2010 and the attendance of the Audit Committee Members are as under:

Sr.No	Name Of Director	Category	No Of Meeting	
			Held	Attended
1	Ashwinikumar Singh	Director	5	5
2	Ramesh Chandra Parwal	Director	5	5
3	Bimleshkumar Mishra	Chairman. & M.D.	5	5

Terms of Reference:-

The terms of reference for the audit committee as laid down by the Board include the following:-

- (i) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (ii) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- (iii) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements' concerning financial statements; any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- (iv) Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.
- (v) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- (vi) Reviewing the Company's financial and risk management policies.
- (vii) To review the functioning of the Whistle Blower Policy adopted by the Company.
- (viii) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

4. REMUNERATION COMMITTEE

This is a non-mandatory requirement. The company has constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company.

The Remuneration Committee consists of B. K. Mishra, Managing Director & Chairman of the committee, Mr. Aswinikumar Singh, Director, Mr. Rameshchandra Parwal, Director. Two meeting of the committee held during the year under review.

5. SHARE HOLDER'S GRIEVANCE AND SHARE TRANSFER COMMITTEE**Composition:-**

The said committee comprises of B. K. Mishra, Director & Chairman of the said committee, Aswinikumar Singh, Director and Rameshchandra Parwal, Director. There are 5 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

Terms of reference:-

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares non receipt of annual report, non receipt of declared dividend etc.

Compliance Officer:-

The company has designated Mr. B. K. Mishra as Compliance Officer.

Summary of Investors' Complaints:-

During the year no complaints were received from the share holders.

Annual General Meeting :-

The Annual General Meeting (AGMs) of the company have been held at the following places in the last three years.

YEAR	DATE	TIME	VENUE
2006 - 07	28-09-2007	11.00 A.M	REGD. OFFICE – G - 4, Vyavasaya Building, Near Verei Mata Temple, Urmi Dinesh Mill Road, Vadodara – 390007.
2007 - 08	30-09-2008	11.00 A.M	REGD. OFFICE – G – 4, Vyavsaya Building, Near Verei Mata Temple, Urmi Dinesh Mill Road, Vadodara – 390007
2008 - 09	30-09-2009	11.00 A.M	REGD. OFFICE – G – 4, Vyavsaya Building, Near Verei Mata Temple, Urmi Dinesh Mill Road, Vadodara – 390007

No special resolution passed through postal ballot during the year.

No special resolution on matters requiring postal ballot are placed for share holders approval at this meeting.

6. DISCLOSURES REGARDING RELATED PARTY TRANSACTIONS:-

There were no transaction by the company of material significance with related parties i.e. its Promoters, Directors of Companies or the Management or their relatives during the year which may have potential conflict with interest of the Company at large.

7. MEANS OF COMMUNICATION:

- (i) The periodical unaudited / audited financial results are published in Free Press Journal (English) and (Hindi) as required under the Listing Agreement. All financial and other vital information is promptly communicated to the stock exchanges on which company's shares are listed.
- (ii) The Management Discussion and Analysis report prepared by the management and forming part of the Annual Report is separately attached.

8. GENERAL INFORMATION FOR SHAREHOLDERS:

(a) Regd. Office:- The Address has been given above

(b) Date, Time, Venue of Annual General Meeting:-

30th September, 2010 at 11.00 AM at the Regd. Office.

(c) Financial Reporting for the quarter ending:-

JUNE 30	: END JULY
SEPT 30	: END OCTOBER
DEC 31	: END JANUARY
MARCH 31	: END APRIL

(d) Date of Book Closure :

28.09.2010 to 30.09.2010

(e) Listing Details :

Ahemadabad Stock Exchange, Gujarat.	: No Stock Code
Bombay Stock Exchange Limited , Mumbai	: Scrip Code 526598
Vadodara Stock Exchange, Gujarat	: No Stock Code

(f) Market price data:

During the year ended 31-3-2010 the equity share have not been traded due to suspension of trading of the company's shares .

(g) Registrar And Transfer Agent:

The company is under the process of finalizing the Registrar & Transfer agents for carrying out the share transfer works.

(h) Share Transfer System:

The Company has a Share holders/ Investors grievance Committee who looks after share transfer job by meeting at regular intervals depending upon the receipt of the shares for transfer.

(i) Investor Services:

The Company has not received any complaints from the shareholders/investors during the year.

(i) DEMATERIALISATION OF SHARES AND LIQUIDITY :

The Company is the process of appointing a registrar & share transfer agent for electronic connectivity.

DISPOSAL OF INVESTOR GRIEVANCES

The average time required by the Company for the redressal of routine investor grievances is estimated to be seven working days from the date of receipt of the complaint. In case of non-receipt routine complaints and where external agencies are involved. The Company will strive to redress these complaints as expeditiously as possible.

CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT

The Managing director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of Clause 49 as required under Clause 49 of the listing agreement.

WHISTLE BLOWER POLICY

Recently, the Security & Exchange Board of India has also prescribed the adoption by all listed companies, of a Whistle Blower Policy as a non-mandatory requirement. The company has adopted a Whistle Blower Policy, which affords protection and confidentiality to Whistle blowers. The Audit Committee Chairman is authorized to receive Protected Disclosures under this Policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

CODE OF CONDUCT

The Company's Board of Directors has adopted the code of conduct which govern the conduct of all directors /employees. All Directors and senior management personnel have affirmed compliance with respective codes for the year ended on 31st March 2010.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is in the business of financial activity. The key issues of the Management Discussion and Analysis are given below.

(a) Industry Structure and Developments

The company is engaged in manufacture and trading of flyash but presently the said business is not giving any substantial earning to the Company hence Company is in the process of diversifying to other business areas.

(b) Strength

The strength of the company is known from its reputation which the company has earned due to its quality business and cordial relation with its clients and presently the company's financial position is sound..

(c) Comment on Current year's performance

Receipts	: company maintained the average business turnover of last years during the year.
Operating Expenses	: The operating Expenses are well under control.
Operating Profits	: The Operating Profits are up to industry mark.
Indirect Expenses	: The Indirect Expenses are under control.
Depreciation	: Reasonable amount of Depreciation is provided.
Profit before tax	:The loss is reduced during the year
Taxation	: Taxation is Provided as per Income Tax Act.
Debtor/Sales	: Debtors are reasonable and realization period has decreased due to the policy of the Company.
Creditors/Purchase	: The Company has an established credit.

d) Opportunities and Threats

The impact of boom in capital market and real estate market due to government support has provided a boost to the economy and it is set to grow at 20% to 25% supported by a smart growth in manufacturing and services sectors. The Company is planning to take up the growth opportunity by diversifying into other suitable areas of business. Outlook for the year 2011 is positive. While the overall demand outlook for the year 2010 remains good, the Company expects the pressure on quality customers to continue due to competition.

(e) Segment wise performance

The business of the Company falls under a single segment i.e. Share broking, Investment and trading in shares and derivatives for the purpose of Accounting Standard AS-17.

(f) Outlook

The Company is making all efforts to accelerate growth of its business. It expects to improve its position in the market by focusing on technologically advanced and more profitable products/market segments and working aggressively in the areas of productivity, efficiency and cost reductions.

(g) Risk and concerns

Stiff competition from other manufactures of the products of the Company and price competition creates risk of losing the market share of the Company. However company is very optimistic to continue its dominance in market by way of aggressive marketing maintaining quality of the product.

(h) Internal control system

Internal audit and other controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

CEO / CFO Certification

To
The Board of Director
Gujarat Narmada Flyash Co Ltd
Gujarat, Vadodara.

We certify that ;

1. We have reviewed the financial statement and cash flow statement of Gujarat Narmada Flyash Co Ltd, for the year ended 31st March 2010 and to the best of our knowledge and belief ;
 - i these statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading ;
 - ii these statement together present a true and fair view of the company affairs and are in compliance with existing accounting standard, applicable law and regulation.
2. To the best of our knowledge and belief, these are, no transaction entered into by the company during the year, which are fraudulent, illegal or violating the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls over financial reporting and we have evaluated the effectiveness of internal control systems of the company over financial reporting and we have disclosed to the auditors and audit committee, deficiencies in the design or operation of internal control over financial reporting, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, these are adequate internal controls over financial reporting.
4. We have indicated to the auditors and the audit committee that there are
 - i significant improvement in internal controls over financial reporting during the year
 - ii changes in accounting policies made during the year as have been disclosed in the notes to the financial statement.
 - iii no instance of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company internal control system on financial reporting.

Date : 01/09/2010

Place : Vadodara

Sd/-
Bimleshkumar Mishra

Managing Director/CEO

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members

Gujarat Narmada Flyash Company Limited,

We have examined the compliance of condition of corporate governance by Gujarat Narmada Flyash Company Limited for the year ended on 31st March 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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 statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the institute of Chartered Accountants of India, we have to state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors' Grievance Committee.

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.

PLACE : VADODARA
DATE : 15-06-2010

For Shirish Dalal & Associates
CHARTERED ACCOUNTANTS

Sd/-
Shirish Dalal
PROPRIETOR

AUDITOR'S REPORT

To,
SHAREHOLDERS,
M/S. GUJARAT NARMADA FLYASH COMPANY LIMITED

1. We have audited the attached balance sheet of GUJARAT NARMADA FLYASH COMPANY LIMITED as at 31st March, 2010 and the profit and loss account for the period 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 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 in significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. In our opinion and according to the information and explanations given to us, the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, is not applicable to the Company.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. 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;
 - c. The balance sheet and profit and loss account dealt with by this report are in agreement with the books of account and with the audited returns from the branches;
 - d. In our opinion, the balance sheet and profit and loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st 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;
 - f. 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;

- i. In the case of the balance sheet, of the state of affairs of the company as at 31st March,2010 and
- ii. In the case of profit and loss account, of the loss for the year ended on that date.

For Shirish Dalal & Associates

Sd/-
Chartered Accountants
(Shirish Dalal)

Place: Ahmedabad
Date: 15/06/2010

ANNEXURE TO THE AUDITORS REPORT**TO THE MEMBERS OF M/S . GUJARAT NARMADA FLYASH COMPANY LIMITED**

(REFERRED TO IN PARAGRAPH 3 there of)

- (1)
 - (a) The company has maintained generally proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, the Management has physically verified the Company's fixed assets during the year and no material discrepancies were noticed on such verification.
 - (c) During the year, the company has not disposed off a major part of the fixed assests.
- (2)
 - (a) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (3)
 - (a) According to the information and explanations given to us, the company has not granted and taken loans and advances from companies, firms or other parties listed in the registers maintained under section 301 and the companies under the same management.
 - (b) In our opinion , the rate of interest and other terms and conditions on which loans have been taken from / granted to companies, firms or other parties listed in the registers maintained under Section 301 are not , prima facie prejudicial to the company, if any.
 - (c) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest wherever applicable. The parties have repaid principal amounts as stipulated and have been regular in payment of interest wherever applicable, if any.
 - (d) There is no overdue amount of loans taken from or granted by the companies, firms or other parties listed in the register maintained under Section of 301 of the Companies Act , 1956.
- (4) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventories, fixed assets and with regard to the sale of goods, if any.
- (5)
 - (a) According to the information and explanations given to us, We are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been

made at prices which are reasonable having regard to prevailing market price at relevant time.

- (6) The company has not accepted deposit from public coming under the purview of section 58 A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule, 1975.
- (7) In Our Opinion The company has an internal Audit System Commensurate with the size of the company and its nature of business.
- (8) The Central Government has not prescribed maintenance of the cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of the products manufactured by the company.
- (9) In our opinion, the accumulated losses at the end of the year more than fifty percent of its net worth and has incurred cash losses during the financial year covered by our audit.
- (10) The company has made defaulted in repayment of dues to financial institutions, Financial institute for the recovery of dues with honorable Debt recovery Tribkunal has filed recovery suit.
- (11) According to the information and explanations given to us, the company has not granted any loan or advance on the basis of security by way of pledge of shares or debentures or any other securities.
- (12) 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 (Auditors' Report) Order, 2003 are not applicable to the company.
- (13) In our opinion, the company is not dealing in or trading shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (14) In our opinion, the company has not given any guarantee for loans taken by others from banks or financial institutions and hence the provisions relating to clause 4 (xv) are not applicable to the Company.
- (15) Clauses is not applicable as no term loans been raised during the year.
- (16) According to the information and explanation given to us and on overall examination of balance sheet of the company, We report that no short term funds have been used for long term purposes not long term funds are used for short term purposes.
- (17) According to the information and explanation given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (18) No debentures have been issued during the year.
- (19) The company has not raised any money by public issue during the year.

- (20) According to the information and explanation give to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For Shirish Dalal & Associates
(Chartered Accountants)**

**Place: Ahmedabad
Date: 15/06/2010**

**Sd/-
Shirish Dalal
(Proprietor)**

Balance Sheet As at 31st March, 2010

Amount in Rupees

Particulars	Sch		As at 31/03/2010 Amount		As at 31/03/2009 Amount
Sources of Funds :					
Share Holders Funds:					
Share Capital	1		63,705,000		63,705,000
Reserves And Surplus			21,489,187		21,474,672
Loan Funds :					
Secured Loans	2		29,983,001		29,983,001
Total :---->			115,177,188		115,162,673
Application of Funds :					
Fixed Assets	3				
Gross Block		12,533,869		12,533,869	
less :Depreciation		8,588,160		8,018,115	
Net Block			3,945,709		4,515,754
Investments			111,139,500		110,539,500
Current Assets, Loans & Advances :					
Cash & Bank Balance	4	91,979		107,419	
		91,979		107,419	
Net Current Assets			91,979		107,419
Total :---->			115,177,188		115,162,673
Accounting Policies & Notes on accounts			-		-

As per our Audit Report of Even Date
For Shirish Dalal & Associates
Chartered Accountants

Sd/-

Shirish Dalal

Proprietor

Place : Ahmedabad

Date : 15-06-2010

For and on behalf of The Board of Directors
Gujarat Narmada Flyash Company Limited

Sd/-

Director

Sd/-

Director

Profit & Loss Account for the year ended on 31st March, 2010

Particulars	Sch	As at 31/03/2010 Amount	As at 31/03/2009 Amount
Income From Operations:		602,560	599,400
Total Income : ---->		602,560	599,400
Expenditure :			
Audit Fees		5,000	5,000
Depreciation		570,045	570,045
Office Exp		10,500	5,500
Printing & Stationery		2,500	-
Salary		-	12,500
Total Expenditure : ---- >		588,045	593,045
Profit / (Loss) Before Tax		14,515	6,355
Tax Expenses			
Profit / (Loss) After Tax		14,515	6,355
Balance B/Fd. from Previous Year		21,474,672	21,468,317
Profit / (Loss) carried to Balance Sheet		21,489,187	21,474,672
Accounting Policies & Notes on Accounts			

As per our Audit Report of Even Date
For Shirish Dalal & Associates
Chartered Accountants

Sd/-

Shirish Dalal

Proprietor

Place : Ahmedabad

Date : 15/06/2010

For and on behalf of The Board of Directors
Gujarat Narmada Flyash Company Limited

Sd/-

Sd/-

Director

Director

Grouping to the balance sheet and Profit & Loss Account 2009-10			
Schedule	Particulars	As at 31/03/2010 Amount	As at 31/03/2009 Amount
Sch - 1	Share Capital		
	Authorised 7000000 Equity Shares of Rs. 10/- each	70000000	70000000
	Subscribed, Issued & Paid up Capital 6370500 Equity Shares of Rs. 10/- each	63705000	63705000
		63705000	63705000
Sch - 2	Loans (Liability)		
	A)Secured Loans		
	Term Loan	29983001	29983001
		29983001	29983001
Sch - 3	Cash & Bank Balance		
	Cash Balance	91979	107419
		91979	107419

As per our Audit Report of Even Date

For Shirish Dalal & Associates

Chartered Accountants

Sd/-

Shirish Dalal

Proprietor

Place : Ahmedabad

Date : 15/06/2010

For and on behalf of The Board of Directors

Gujarat Narmada Flyash Company Limited

Sd/-

Sd/-

Director

Director

SCHEDULE 7**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS**

1. **Basis of Preparation of Accounts:**
The accounts are prepared on historical cost convention in accordance with applicable mandatory accounting standards and other generally accepted accounting principles in conformity with the statutory requirements.
2. **Fixed Assets:**
Fixed assets are stated at historical cost where cost includes all expenses directly attributable to make the asset ready for use.
3. **Depreciation:**
Depreciation on fixed assets has been provided on Straight Line value method under Schedule XIV to the Companies Act, 1956.
4. **Revenue Recognition**
Income and expenditure are recognized and accounted on accrual basis, except in case of significant uncertainties.
5. **INVESTMENTS:**
Investments have been stated at cost. However, the company has not provided by way of making necessary provisions for diminution in the value of long term investments in the line with accounting standards laid down by the ICAI. However in absence of market quotation as on 31.03.2010. We are unable to comment on the adequacy of the provision for diminution in market value of shares.
6. **RETIREMENT BENEFITS:**
As informed and explained to us that the company is not liable or retiring benefits hence not provided for the retirement benefits by way of gratuities payable to the employees on retirement in accordance with the accounting standards laid down by ICAI.
7. **AMORTISATION OF MISCELLANEOUS EXPENDITURE:**
The preliminary expenses incurred in connection with the incorporation of the company and raising share capital are amortised over a period of 10 years.
8. **VALUATION OF INVENTORIES:**
The closing stock has been physically taken and certified by the management including the quality of non/slow moving items and valued at historical cost.
9. **Taxes on Income:**
Taxes on Income comprise of Current Tax and Deferred Tax in accordance with Accounting Standard (AS) 22, "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.
Current tax is being measured at the estimated amount payable to the taxation authorities. Deferred tax is measured at rates substantively enacted by the balance sheet date.
10. **ACCOUNTING FOR EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES:**
There is no transaction involved in foreign exchange.
11. **Earning Per Share:**
The company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20 – Earning per Share issued by the Institute of Chartered Accountants of India. Basic Earning per share are computed by dividing the net profit or loss for the year by the weighted average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential equity share, except where the results are anti-dilutive.

Calculation of Earning Per Share :

The numerators and denominators used to calculate the basic and diluted EPS are as follows.

	Particulars	2009-10	2008-09
A.	Profit / (Loss) attributable to		
	Profit / (-) Loss for the year	14515	6355
B.	Basic & weighted average number of Equity Shares outstanding during the year	6370500	6370500
C.	Nominal Value of Equity Share	10/-	10/-
D.	Basic Earnings / (loss) per share	-	-
E.	Diluted Earning per Share	-	-

[11] Deferred Tax Liability Provision not made as details not available for verification.

NOTES FORMING PART OF ACCOUNTS

1. Payment to Auditors:

	2009-10	2008-09
For Audit	5000	5000
For Tax Audit	-----	-----
For Certification work	-----	-----
TOTAL	5000	5000

2. Accounting Standard 19 on Leases is not applicable to the company as the lease is a cancelable lease.
3. The company is not required to disclose Diluted Earnings per Share as it falls under level 3 as per the notification by the Institute of Chartered Accountants of India regarding Applicability of Accounting Standards to SMEs.
- 4 Balances Due to or due from the parties from whom confirmations are not received are subject to adjustment on receipt of confirmations.
- 5 Contingent Liabilities: Estimated amounts of contracts remaining to be executed on capital accounts and not provided for Rs. Nil

For Shirish Dalal & Associates

Sd/-
Chartered Accountants
(Shirish Dalal)
Proprietor

For Gujarat Narmada Flyash Company Limited

1. Sd/
(Director)
2. Sd/-
(Director)

Place: Ahmedabad
Date: 15/06/2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010				
	2009-10		2008-09	
	RS	RS	RS	RS
A . CASH FLOW FROM OPERATING ACTIVITIES &				
NET PROFIT/LOSS AFTER TAX PROVISION		14,515		6,355
ADJUSTMENT MADE FOR:				
MISCELLANEOUS EXPENDITURE W/O	-		-	
DEPRECIATION WRITTEN OFF	570,045	-	570,045	
INCOME TAX PROVISION	-		-	
	-	570,045		570,045
OPER.PROFIT BEFORE CHANGE IN WORKING CAPITAL		584,560		576,400
ADJUSTMENTS MADE FOR:				
TRADE PAYABLES	-		-	-
SUNDRY DEBTORS	-	-	-	
CASH GENERATED FROM OPERATIONS		584,560		576,400
INTEREST PAID	-		-	
SERVICE TAX PROVISION	-	-	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES		584,560		576,400
B. CASH FLOW FROM INVESTING ACTIVITIES :				
SALE/PURCHASE OF INVESTMENTS	(600,000)		(500,000)	
PURCHASE OF COMPUTER	-		-	
	(600,000)			(500,000)
NET CASH FLOW FROM INVESTING ACTIVITIES		(15,440)		76,400
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Investments	-		-	
PROCEEDS FROM LOAN & ADVANCES			-	
NET CASH FLOW FROM FINANCING ACTIVITIES		-		-

NET INCREASE IN CASH OR CASH EQUI. CASH & CASH EQUI. AT THE BEGINNING OF THE YEAR		(15,440)		76,400
CASH & CASH EQUI. AT THE CLOSE OF THE YEAR		107,419		31,019
		91,979		107,419
NET INCREASE IN CASH OR CASH EQUI.		(15,440)		76,400

Shirish Dalal & Associates
CHARTERED ACCOUNTANTS

For & on Behalf of Board
For Gujarat Narmada Flyash Company Limited

Sd/-
Shirish Dalal
PROPRIETOR

Sd/-
Director

Sd/-
Director

Place : Ahmedabad
Date : 01/09/2010

AUDITORS' CERTIFICATE

To,

The Board of Directors

Gujarat Narmada Flyash Company Ltd

We have examined the attached Cash Flow Statement of **M/S. Gujarat Narmada Flyash Company Ltd.** for the year ended on 31-3-2010. The Statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with Mumbai Stock Exchange limited and is based on in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company for 2009-10

**Shirish Dalal & Associates.
Chartered Accountants**

**Place :MUMBAI
Date : 01-09-2010**

**SD/-
(Shirish Dalal)
Proprietor**

Additional information as required under part IV of Schedule VI of the Companies Act, 1956. Balance Sheet Abstracts and Company's General Business Profile:

Registration Details

Registration No.	:	19126
State Code	:	04
Balance Sheet Date	:	31/03/2010

Capital Raised during the year**(Amount in Rs. Thousand)**

Public Issue	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	NIL

Position of Mobilisation and Deployment of Funds**(Amount in Rs. Thousand)****Sources of Funds**

Paid- up capital	:	63705
Reserves & Surplus	:	21489
Secured Loans	:	29983
Unsecured Loans	:	NIL

Application of Funds

Net Fixed Assets	:	3945
Investments	:	111140
Net Current Assets	:	92
Misc. Expenditure	:	NIL
Profit & Loss Account	:	NIL

Performance of company**(Amount in Rs. Thousand)**

Turnover / income	:	602
Total Expenditure	:	588
Profit	:	14

Dividend Rate (%)	:	NIL
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Generic Names of Principal Products / Services of the company (As per monetary terms)

Item Code No. :-

Product Description:- Trading Activity

GUJARAT NARMADA FLYASH COMPANY LTD
G-4, Vyavsaya Building, Dinesh Mill Urmi Road, Vadodara-390007

PROXY FORM

I/We _____
Of _____ Being
ing a member/members of above named Company hereby appoint of
_____ or failing him / her
_____ of _____
as may / our proxy attend and vote on my / our behalf at Annual General Meeting of the
Company to be held on 30th September 2010 or at any adjournment thereof.

Signed this _____ day of _____ 2010

Affix Rupee One
Revenue Stamp
Here

Note : This instrument of proxy shall be deposited at the Registered Office of the Company.

=====

GUJARAT NARMADA FLYASH COMPANY LTD
G-4, Vyavsaya Building, Dinesh Mill Urmi Road, VAdodara-390007

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

- 1. Name of the attending Member _____
- 2. Member's Folio Number _____
- 3. Name of the Proxy (In Block Letters) _____
(To be filled in if the Proxy attends instead of the Member)
(No. of Shares held: _____).

I hereby record my presence at the Annual General Meeting at the registered Office on 30th Sept, 2010 or at any adjournment thereof.

Member's / Proxy Signature