

DIRECTORS' REPORT

To,
 The Members,
 Excel Industries Limited

Your Directors are pleased to present the 60th Annual Report on the business affairs of your Company together with the Audited Financial Statements for the year ended 31st March, 2021 including the Auditors Report thereon.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended March 31, 2021 is summarized below:

₹/Crores

	2020-21		2019-20	
Revenue from Operations	749.47		702.48	
Profit before Tax before exceptional item		99.70		112.21
Provision for Taxation:				
— Current Tax	21.62		26.27	
— Deferred Tax	7.89	(29.51)	(7.53)	(18.74)
Profit After Tax		70.19		93.47
Other Comprehensive Income		44.51		(39.25)
Total Comprehensive Income		114.70		54.22

DIVIDEND AND DIVIDEND DISTRIBUTION POLICY

Your Directors have recommended a dividend of ₹ 11.25 (225%) per equity share of Face Value of ₹ 5 each as against the dividend of ₹ 10.00 (200%) paid for the previous financial year 2019-20. The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting.

The Board has formulated a dividend distribution policy in pursuance to amendment to regulation 43A of the SEBI Listing regulations vide its notification no. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021. The dividend distribution policy of the Company lays down the parameters that the Board will consider for recommendation of dividend from time to time. The policy is available on the website of the Company and can be accessed at <https://www.excelind.co.in/companyPolicies.html>.

AMOUNT TRANSFERRED TO GENERAL RESERVE

Your Company has transferred ₹ 50 crores to the General Reserve for the financial year 2020-21.

PERFORMANCE REVIEW

During the year under review, the net revenue from operations increased by 7% from ₹ 702.48 crores to ₹ 749.47 crores, mainly due to volume increase on account of addition of new manufacturing site at Visakhapatnam. Company's profit before tax declined by 11% from ₹ 112.21 crores to ₹ 99.70 crores largely on account of change in product mix and market mix. Consequently, net profit after tax for the year decreased by 25% from ₹ 93.47 crores to ₹ 70.19 crores due to fall in contribution from sales and higher incidence of income tax.

The reserves excluding revaluation reserves as on 31.03.2021 are at ₹ 709.57 crores.

During the year, CRISIL Limited reviewed and reaffirmed the Credit Rating of the Company as “A+ /Stable” for Long Term bank loan facilities and “A1” for Short Term bank loan facilities.

COVID-19 PANDEMIC AND ITS IMPACT

The Company has successfully handled the effect of the Covid-19 pandemic. Your Company's products fall under the ambit of essential goods, therefore, the operations of the Company continued with limited impact during lockdown.

The Company has been strictly following the guidelines issued by the local, state and central governments and took all possible efforts to protect the health and well-being of its employees and ensured minimum disruption to its customers. The Company also has been focusing on vaccination drive for all its employees and their family member to immunize the employees from the COVID-19 impact.

Company's continuous focus on working capital management and Cash Flow management has stood it in good stead during the Covid-19 pandemic situation. The Company's Management has carried out a detailed assessment of the impact of COVID-19 on its business operations and is of the opinion that there would not be any significant impact of COVID-19 on its business operations. However, the Company will continue to monitor the future developments and design its response appropriately.

MODERNIZATION / EXPANSION

Manufacturing asset preservation has been an ongoing priority for your company. Some of the old assets were modernized to extend their life and capabilities. Roha plant introduced automation in their agro intermediate plant in order to improve safety and productivity. Additionally Lote plant further fine-tuned Solvent Recovery system to improve recovery of various solvents used in the manufacturing. This will also help the Company to save operating costs.

Aligned to market demands, both Roha and Lote Sites upgraded their production capabilities for specific products. Company's existing ERP system was extended to the newly acquired Site at Visakhapatnam. Activities of Visakhapatnam site is now getting integrated on a real time basis with rest of the Company's activity.

ENVIRONMENT, HEALTH AND SAFETY

Due to ongoing COVID-19 pandemic, the Company enhanced its focus on employee care and prevention of infection at workplace. Under the guidance of the Factory Medical Officer, each site instituted rigorous protocols for enabling COVID appropriate behavior. Regular awareness program was provided to the employees and their families across all locations as to how to manage and survive the pandemic. In addition to these, telemedicine support, health camps, testing, provision of masks & sanitizers were all arranged to ensure that workplace does not become a hotspot for transmission of infection.

On the Environment front, Roha site obtained Environment Clearance for Expansion. This was to support future growth initiatives and expansion of select existing products and addition of certain new products. The newly acquired Visakhapatnam site was able to get all regulatory approvals re-issued in Excel's name, completing the transfer process. While Lote and Visakhapatnam improved their operating efficiency of Zero Liquid Discharge (ZLD) facilities, Roha site too completed up-gradation of its waste water treatment system.

Roha site has received a Certificate of Appreciation from National Safety Council: India for appreciable achievement in occupational safety and health. Similarly, a Certificate of Merit was received from National Safety Council: Maharashtra Chapter, for achieving and maintaining zero accident frequency rate. This year the Company received the ICC award for Excellence in Management of Environment and also received the certificate of merit for the best compliant company for Product Safety and Stewardship code under Responsible Care.

All the Sites continued to operate complying to high standards of Safety. Regular training to employees, audits and monitoring of key safety parameters helped to keep the workplace free from incidents and accidents. There was no major reportable accident during the year under review.

QUALITY

Our Lote unit has been audited by WHO-GMP team and the certificate is awaited any time. Our Quality Control laboratory at Roha, installed four new fume chambers for conducting performance trials of various products as per customers' requirements.

RESEARCH & DEVELOPMENT

The Company has been a pioneer in developing products and processes in house. The current portfolio of products that are manufactured were totally developed in Company's own R&D Lab. In addition to new process & product development, the R&D team also focusses on continuous improvements of process efficiency, improvement in quality and reduction in cycle time.

The R&D teams operate from both Roha & Lote sites, in addition to the central R&D team at Mumbai. The team at Mumbai focusses primarily on development of new processes and technologies, while the site R&D team focusses on improvements in existing processes, in addition to scale up. Presently the R&D teams are engaged in developing a range of products for future launch. Different chemistries and technologies are being evaluated for commercialization of products. In line with future requirements, the R&D Set up at Mumbai is also being strengthened. A standalone new location for the Mumbai lab is finalized and required infrastructure is being added, which will serve as the fountainhead for all new product launches.

INSURANCE

The Company continues to carry adequate insurance cover for all its assets against perils like fire, flood, earthquake, etc. The Company continues to maintain Loss of Profit (Fire and allied perils) Policy and the Liability Insurance Policy as per the provisions of Public Liability Insurance Act. The Company has also taken a Directors and Officers' Responsibility Policy. All the employees of the Company are insured against the COVID disease.

HUMAN RESOURCES

Last financial year was the year of the pandemic. During this period, the Company formed a task force to design and implement safe practices across the company to avoid workplace infection. SOPs were drafted in multiple languages, employees were trained vigorously with the whole implementation being monitored by task force members in order to ensure high order of compliance. The Company distributed vitamin tablets and medicines and supported people with 24X7 telemedicine facility from Apollo Hospital. Other Hospitals tie ups were done to support employees and their families. The Company distributed masks and sanitizers for employees and families and in surrounding villages and Gram Panchayats. The focus of all these efforts enhanced employee care, especially in the context of COVID-19 infection.

Employees operating from Mumbai office worked from home initially. All team members were supported with necessary IT infrastructure and connectivity at their homes. The teams collaborated well on various virtual platforms. Weekly meetings between sites and functions ensured good coordination thereby resulting in sharper customer focus.

Even during the year of Pandemic, the Company ensured that employees' salaries were paid on time every month. Employees, realizing the magnitude of business challenges faced, truly rose up to the occasion in the second half of the year to deliver an encouraging performance in all functions, thereby making up for the lost opportunities in the first half.

The labour relations across sites continued to be good and jointly many initiatives were undertaken. Wage agreement for Roha Site was amicably signed during lockdown period.

The focus of HR team was to continue to maintain the employee connect and engagement. The Company conducted many webinars and virtual trainings focusing on employees' wellbeing while working from home. Programs on health, nutrition, yoga, technical subjects, Safety, IT, Finance etc. were regularly conducted.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report. Also, there has been no change in the nature of business of the Company.

PUBLIC DEPOSITS

Details of deposits, covered under Chapter V of the Act are as under:

- (a) The Company stopped accepting and renewing fixed deposits with effect from 1st April, 2014.
- (b) There are no existing deposits from the public and the shareholders of the Company at the end of the FY 2020-21.
Total 13 Deposit holders did not claim their deposits after the date on which the deposits became due for payment. The amount due on such deposits and remaining unclaimed as on 31st March, 2021, was ₹ 5,32,600/-.
- (c) There has been no default in repayment of deposits or payment of interest thereon during the year under review.
- (d) All unclaimed deposits of the Company are in compliance with the requirements of Chapter V of the Act.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The loans, guarantees or investments made by the Company during the financial year 2020-21 are provided in Notes to Standalone Financial Statements.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has two subsidiaries namely, Kamaljyot Investments Limited and Excel Bio Resources Limited. Also, the Company has one Associate company namely, MobiTrash Recycle Ventures Private Limited.

The salient features of the financial statements of the subsidiaries and the associate company as required under section 129 (3) of the Companies Act, 2013 are furnished in the annexures forming part of the financial statements.

The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link <http://excelind.co.in/companyPolicies.html>.

The financial statements of the subsidiary companies are not attached with this Annual Report. However, the Company will make available the annual accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same in accordance with section 136 of the Companies Act, 2013. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and are also available on the Company's website: <http://excelind.co.in/annualReports.html>. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

During the year, there was no addition of subsidiaries, associate companies or joint ventures of the Company neither any of the subsidiaries or associate company ceased to be so.

Kamaljyot Investments Limited is an Investment Company registered under the provisions of RBI Act as a NBFC. The turnover for the year 2020-21 was ₹ 57.41 lakhs and Profit after tax was ₹ 20.44 lakhs.

Excel Bio-Resources Ltd. is a Company formed for carrying on the business of processing all kinds of waste including but not limited to municipal solid waste, urban waste, domestic waste, industrial waste, food processing waste etc. The turnover for the year 2020-21 was ₹ 9.09 lakhs and profit after taxation was ₹ 2.42 lakhs.

Mobitrash Recycle Ventures Pvt Ltd is a Company involved in recycling of all kinds of waste and scrap. The turnover of the Company for the year 2020-21 is ₹ 170.60 lakhs and loss incurred is ₹ 18.98 lakhs.

The contribution of the aforesaid subsidiaries and associate company to the overall performance of the Company is to the extent as provided in the consolidated financial statements of the Company.

NUMBER OF MEETINGS OF THE BOARD

During the FY 2020-21, six meetings of the Board of Directors were held; details of the meetings held are provided in the Corporate Governance Report forming part of this Annual Report.

DIRECTORS

APPOINTMENTS AND RESIGNATIONS OF DIRECTORS

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Hrishit A. Shroff, Executive Director of the Company, will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment.

The brief resume and other related information of Mr. Hrishit A. Shroff are provided in **Annexure-I** to the Notice of this Annual General Meeting.

KEY MANAGERIAL PERSONNEL

Mr. Ashwin C. Shroff, Executive Chairman, Mr. Ravi A. Shroff, Managing Director, Mr. Hrishit A. Shroff, Executive Director, Mr. N. R. Kannan, Chief Executive Officer, Mr. Devendra Dosi, Chief Financial Officer and Mr. Surendra Singhvi, Company Secretary are the key managerial personnel of the Company.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names of top ten employees and their other particulars relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in **Annexure I**, forming part of this Report.

INDEPENDENT DIRECTOR

(i) Declaration from Independent Directors

The Board has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Criteria for Performance Evaluation

Nomination and Remuneration Committee has laid down various criteria for performance evaluation of Independent Directors which, *inter-alia*, includes preparedness and attendance at the meetings, understanding of Company's operations and business and contribution at Board Meetings.

(iii) Details of Familiarization Programme

The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link <http://excelind.co.in/companyPolicies.html>

EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Nomination and Remuneration Committee has formulated a Nomination and Remuneration Policy which lays down the criteria and manner of Performance Evaluation of the Board as a whole, its Committees and individual Directors. The Nomination and Remuneration Policy of the Company as approved by the Board may be accessed on the Company's website at the link <http://excelind.co.in/companyPolicies.html>.

Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out a formal annual evaluation of the performance of the Board, its Committees and of individual directors.

The Board as a whole is evaluated *inter-alia* on its ability to effectively supervise the functioning of the management, to discuss on operational and strategic issues, to take decisions in the best interest of the organization. The Committees of the Board are evaluated on their ability to address effectively the matters delegated to them in the charter, the ability to report to the Board the broad areas of concern appropriately and satisfactorily.

The evaluation of each of the directors was done, *inter-alia*, on the basis of his advisory role and contribution in the decision making, understanding of Company's business and risks and on the basis of the overall directions and guidance provided to the senior executives and supervision over their performance.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the year were on arm's length basis and there were no material related party transactions during the year, therefore Form AOC – 2 is not provided.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval is obtained on a yearly basis for transactions which are of repetitive nature and are anticipated to be entered during the year. Transactions entered into pursuant to omnibus approval are placed before the Audit Committee for review on a quarterly basis. All related party transactions during the year are mentioned in the Notes to the Financial Statements. Anshul Specialty Molecules Pvt. Ltd. is a part of the Promoter group and holds 42.63% of the share capital of the Company. In pursuance to regulation 2A of Schedule V of the SEBI (Listing Obligations and Requirements) Regulations, 2015, the transactions with Anshul Specialty Molecules Pvt Ltd are provided in Notes to Financial Statements. The Related Party Transaction Policy of the Company as approved by the Board may be accessed on the Company's website at the link <http://excelind.co.in/companyPolicies.html>.

Non-Executive Directors including Independent Directors are not considered as Key Managerial Personnel (KMP) of the Company in view of the definition of KMP under Section 203 of the Companies Act, 2013. However, under Indian Accounting Standard (Ind AS) 24, Non-Executive Directors including Independent Directors of the Company are considered as KMP which is reflected in Note no. 48 of the Notes to the Financial Statements.

VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR THE DIRECTORS AND EMPLOYEES

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has framed "Whistle Blower Policy" for Directors and employees of the Company for reporting their genuine concerns or grievances or cases of actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy. The Whistle Blower Policy of the Company is available on the Company's website at <http://excelind.co.in/companyPolicies.html>.

NOMINATION AND REMUNERATION POLICY

The Company has a Nomination and Remuneration Policy for the appointment and remuneration of the directors, key managerial personnel (KMP) and other employees, approved by the Board on the recommendation of Nomination and Remuneration Committee.

The key objectives of the Policy are to lay down the criteria for appointment and remuneration of Directors, Key Managerial Personnel and Executives at Senior Management level and formulate the criteria and manner of effective evaluation of performance of the Board, its Committees and individual directors and review its implementation and compliance.

The Policy, *inter-alia*, includes criteria for determining qualifications, positive attributes, independence of a director, and expertise and experience required for appointment of Directors, KMP and Senior Management.

As per the Policy, the remuneration/ compensation to whole time Directors and senior management shall be recommended by the Nomination and Remuneration Committee to the Board for its approval. However, the remuneration / compensation to whole-time Directors shall be subject to the approval of the shareholders of the Company and will be in accordance with Section 197 of the Companies Act, 2013 read with Schedule V to the Act. Further, the Non-Executive Directors shall be entitled to fees for attending meetings of Board and Committees, and also to commission within the overall limit prescribed in the Companies Act, 2013 and as approved by the shareholders of the Company. Commission to the Non-Executive Directors is approved by the Board.

The Nomination and Remuneration Policy is available on the Company's website at <http://excelind.co.in/companyPolicies.html>.

CORPORATE SOCIAL RESPONSIBILITY

The Company firmly believes that the industry owes duty of welfare to the society at large and it shall pursue the commitment of Social Responsibility and carry out the social work directly and/ or through other registered voluntary organizations.

The Company's policy on Corporate Social Responsibility states various CSR activities that the Company could undertake to discharge its responsibilities towards the society. The Company's Policy on Corporate Social Responsibility can be accessed at <http://www.excelind.co.in/companyPolicies.html>

In the FY 2020-21, the Company has undertaken various CSR activities at Roha, Lote, Visakhapatnam and Mumbai. The CSR activities include Conservation of Natural Resources, Rural Development, Promotion of Education, Preventive Health Care, Empowering Women and ensuring Environmental Sustainability and Swachha Bharat Abhiyaan.

For the year ended 31st March, 2021, the Company has spent ₹ 296.31 lacs on aforesaid CSR activities directly or through other registered voluntary organizations like Vivekanand Research & Training Institute, etc.

Details on CSR spending as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are set out in **Annexure II**, forming part of this Report.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Business Responsibility Report forms part of the Annual Report.

RISK MANAGEMENT

Constitution of a Risk Management Committee is mandatory for top 1000 listed companies vide SEBI notification no. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021

The risk management committee of your company is composed of Four Members including two independent Directors, the Managing Director and the Chief Executive Officer of the Company.

On the recommendation of the Risk Management Committee, the Board has approved a Risk Management Policy. Your Company recognizes that risk is an integral part of business process and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses the current and future risks existing in the internal and external environment and initiate actions to mitigate them. The Company has formulated a detailed risk management policy. The policy is available on the website of the Company and can be accessed at <https://www.excelind.co.in/companyPolicies.html>.

Your Company, through its risk management process, strives to mitigate the impact and likelihood of the risks within the risk taking ability as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

AUDIT COMMITTEE

The Audit Committee of Directors comprises of Mr. H N Motiwalla (Chairman of the Committee), Mr. P S Jhaveri, Mr. R N Bhogale, Mr. R. M. Pandia and Mr. Ravi A Shroff. All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company. The terms of reference and other details of the Audit Committee are available in the Corporate Governance Report forming part of this Annual Report.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

At the 56th Annual General Meeting of the Company held on 03rd August, 2017, the members of the Company had approved the appointment of Price Water House, Chartered Accountants, LLP (Registration No. 012754N/N500016), as the Auditors of the Company for a term of 5(five) consecutive years from the conclusion of the 56th annual general meeting until the conclusion of the 61st annual general meeting.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report on the Financial Statements for the year ended 31st March, 2021 does not contain any qualification, reservation, adverse remark or disclaimer and notes thereto are self-explanatory and do not require any explanations.

SECRETARIAL AUDITOR

The Board has appointed, Mr. Prashant Diwan, Practising Company Secretary as the Secretarial Auditor of the Company for the year 2020-21 to conduct Secretarial Audit of the Company. The Secretarial Audit Report of the Company issued by Mr. Prashant Diwan for the financial year ended 31st March 2021 is attached with this Report as **Annexure III**.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

COST AUDITORS

As per the requirements of Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records. Accordingly, the cost accounts and records have been prepared and maintained relating to applicable products.

The Board of Directors at its meeting held on 26th June, 2020 had appointed M/s Kishore Bhatia & Associates (Firm Registration No. 00294), Cost Accountants, as the Cost Auditors of the Company for the financial year 2020-21 to conduct cost audit of all the applicable products of the Company. The Cost Audit Report for the year ended 31st March, 2020, which was required to be filed with the Ministry of Corporate Affairs on or before 31.12.2020, was filed on 16.10.2020.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Auditors have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. Your Company continues to follow 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 mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis and Corporate Governance Report together with Auditors' Certificate thereon form part of this Report.

ANNUAL RETURN

Pursuant to provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the Company's website and can be accessed at Investor Relations section at <http://www.excelind.co.in/annual-return.html>.

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

The information on conservation of energy and technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out in **Annexure IV**, forming part of this Report.

MATERIAL ORDERS PASSED BY THE REGULATORY AUTHORITIES OR COURT

There is no significant material order passed by the regulators / courts / tribunals which can impact the going concern status of the Company and its future operations.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has adequate systems of internal financial controls to safeguard and protect its assets from unauthorized use or misappropriation. All the financial transactions are properly authorized, recorded and reported to the Management. The Company follows all the applicable Accounting Standards for proper maintenance of books of accounts for financial reporting.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards have been duly followed by the Company. The Secretarial Auditor in his Secretarial Audit report confirms the same.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2021, the Board of Directors hereby confirms that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they had 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 and loss of the Company for that period;
- (c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) they had prepared the annual accounts on a going concern basis;
- (e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE

The reports of Statutory Auditors and Secretarial Auditors are free from any qualification, reservation or adverse remark or disclaimer.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has formulated a Policy for Prevention of Sexual Harassment at Workplace. All individuals who are at the Company's premises, irrespective whether employees of the Company or outsiders are covered under this Policy. The Company has constituted an Internal Complaints committee to consider and resolve sexual harassment complaints lodged with the Committee. The constitution of the Committee is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was received from any employee during FY 2020-21 and hence no complaint is outstanding as on March 31, 2021 for redressal.

INSOLVENCY AND BANKRUPTCY CODE

The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the support and co-operation received from the Shareholders, Government Authorities, Bankers, Investors, Customers, Suppliers and Employees.

For and on behalf of the Board of Directors

Ashwin C. Shroff
Executive Chairman
DIN: 00019952

Date: 13th August, 2021
Place: Mumbai

ANNEXURE I TO DIRECTORS' REPORT

Disclosure required under Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each director to the median remuneration of the employees for the FY 2020-21 and percentage change in the remuneration of each director in the FY 2020-21:

Name of Directors	Designation	Ratio of remuneration of the Director to the median remuneration of the employees	% increase/ decrease in Remuneration (-) indicates decrease
Ashwin C. Shroff	Executive Chairman	38.77	8.24*
Ravi A. Shroff	Managing Director	45.73	14.05*
Hrishit A. Shroff	Executive Director	19.74	-29.35*
Dipesh K. Shroff	Non Executive Director	1.28	5.56
Atul G. Shroff	Non Executive Director	1.21	0
H. N. Motiwalla	Independent Director	2.03	-3.20
R. N. Bhogale	Independent Director	1.95	2.65
M. B. Parekh	Independent Director	1.28	11.76
P.S. Jhaveri	Independent Director	1.81	-1.82
S. S. Vaidya	Independent Director	1.28	8.57
R. M. Pandia	Independent Director	1.90	6.60
Meena Galliarra	Independent Director	1.33	9.72
P K Molri	Nominee Director	1.21	#

Note:

- # Mr. P.K. Molri held the office of Director only for a short period in the year 2019-20 i.e. with effect from 7th February, 2020, hence his remuneration for 2019-20 and 2020-21 is not comparable.
- * Mr. Ashwin Shroff, Mr. Ravi Shroff and Mr. Hrishit Shroff had forgone 50% of their salaries for the period 1st April, 2020 to 31st January, 2021 in view of uncertainties during Covid-19 pandemic situation.

2. **Percentage increase in the remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2020-21:**

Name	Designation	% increase in Remuneration
N.R. Kannan	Chief Executive Officer	3.18
Devendra Dosi	Chief Financial Officer	6.53
S. K. Singhvi	Company Secretary	3.99

3. **The median remuneration of employees of the Company has been increased by 20% in the FY 2020-21 over the median remuneration of employees of the Company in FY 2019-20.**

4. **There were 1015 permanent employees on the roll of the Company at the end of the FY 2020-21.**

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.**

The average increase in the salary of the employees other than the managerial personnel in FY 2020-21 is 6.83% and for managerial personnel there is increase of 0.37%.

The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per market trend.

Note:

Managerial Personnel includes Executive Chairman, Managing Director and the Executive Director.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company**

Remuneration paid to Directors, KMP and other employees is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

Date: 13th August, 2021
Place: Mumbai

ANNEXURE I TO DIRECTOR'S REPORT

Disclosure required under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Top ten employees in terms of remuneration drawn

Sr. No.	Name	Designation	Actual Remuneration (₹ in Lacs)	Nature of employment (Contractual or otherwise)	Qualifications	Experience (Years)	Joining Date	DOB	Age (Years)	Last Employment	% of Equity shares held by the Employee along with spouse and children	Relative of any Director / Manager
1	ASHWIN CHAMPRAJ SHROFF	Executive Chairman	231.09@	Contractual	B. Sc	55	01.09.1965	22.01.1945	76	NA	0.66	Mr. Ashwin C Shroff, Mr. Ravi A Shroff and Mr. Hrishit A Shroff are relatives
2	RAVI ASHWIN SHROFF	Managing Director	272.58@	Contractual	BE-Chemical, PG in Chemistry, Boston University, USA	18	03.09.2014	05.02.1978	43	ANSHUL SPECIALTY MOLECULES PVT LTD	0.38	
3	HRISHIT ASHWIN SHROFF	Executive Director	117.66@	Contractual	CA, Executive Management from Harvard Business School, Boston, USA	15	01.02.2017	21.02.1980	41	Excel Crop Care Limited	0.38	
4	N.R. KANNAN	CEO	95.86 * ^	Permanent	B.Sc., B.Sc. (Tech)	33	17.07.2017	08.09.1963	57	Sanmar Specialty Ltd	0	
5	DEVENDRA PARASMAL DOSI	CFO	74.87*	Permanent	C.A.	24	01.11.2017	22.06.1972	48	H R Johnson (A division of Prism Johnson Ltd.)	0	—
6	ADITYA KUMAR NIGAM	Sr. VP - Manufacturing	72.77*	Permanent	B.Tech	34	18.08.2017	21.08.1962	58	Cheminova India Ltd.	0 \$	—
7	PRADEEP N GHATTU	COO	69.21*	Permanent	MBA	28	03.11.2004	02.01.1970	51	ABB India Ltd.	0 \$	—
8	SAURABH ANIL SHAH	VP - E&BT Business	54.40*	Permanent	M. S, MBA	17	03.10.2012	14.12.1980	40	Deccan Aviation Pvt. Ltd.	0	—
9	DR. MAHESH PATIL	VP - R&D	18.90* #	Permanent	M.Sc, Ph.D	27	01.12.2020	01.05.1973	48	Anar Chemicals, LLP	0	—
10	RAVI TUKADEV KULKARNI	Asst VP - Operations	50.43*	Permanent	BE (Chemical)	28	12.12.2018	28.10.1969	51	Sequent Scientific Limited	0	—

Notes: * The remuneration figures are as per the terms of employment

Remuneration drawn only for the part of the year

@ Mr. Ashwin Shroff, Mr. Ravi Shroff and Mr. Hrishit Shroff had forgone 50% of their salaries for the period 1st April, 2020 to 31st January, 2021 in view of uncertainties during Covid-19 pandemic situation. The remunerations mentioned aforesaid are on actual receipt basis.

^ The remuneration figure of Mr. Kannan is on CTC basis. Mr. Kannan had forgone 20% of his salary for the period 1st April, 2020 to 31st January, 2021

\$ Mr. Aditya Nigam holds 64 shares of the Company and Mr. Pradeep Ghattu holds 50 shares of the Company

ANNEXURE II TO DIRECTORS' REPORT

Details on CSR Activities of the Company for the financial year 2020-21

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy is available on the website of the Company <http://excelind.co.in/companyPolicies.html>. It encompasses the Company's philosophy in pursuit of inclusive growth and equitable development and lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community at large. The Company's CSR approach focuses on development of communities around the vicinity of its plants and other offices for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ashwin C. Shroff, Chairman	Promoter, Executive Chairman	3	3
2	Mr. R. N. Bhogale, Member	Independent Director	3	2
3	Mr. M. B. Parekh, Member	Independent Director	3	2
4	Mr. R. M. Pandia, Member	Independent Director	3	3
5	Dr. Meena Galliar, Member	Independent Director	3	3

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.	http://www.excelind.co.in/csr.html
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	NA
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Nil
6.	Average net profit of the company as per section 135(5).	14742.47 Lakhs
7.	(a) Two percent of average net profit of the company as per section 135(5)	294.85 Lakhs
	(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years.	Nil
	(c) Amount required to be set off for the financial year, if any	Nil
	(d) Amount unspent in the previous year i.e. 2019-20	Nil
	(e) Total CSR obligation for the financial year (7a + 7b - 7c + 7d)	294.85 Lakhs

8. (a.) CSR amount spent or unspent for the financial year:

		Amount Unspent (₹ In lakhs)			
Total Amount Spent for the Financial Year (₹ In Lakhs)	Total Amount transferred to Unspent CSR Account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
296.31	NA	NA	NA	NA	NA

(b.) Details of CSR amount spent against ongoing projects for the financial year:

No ongoing projects undertaken

(c.) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Permanent Check Dams, Loose Bolders, CCT, Desilting, Vanrai Bandharas, Bore well Recharge	Conservation of Natural Resources	Yes	Maharashtra	Roha - Raigad	16,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Permanent Check Dams, Drinking water facility, Bore well recharge, rainwater harvesting, Desilting, Rejuvenation of natural water stream, springs, Water harvesting by diverting its flow	Conservation of Natural Resources	Yes	Maharashtra	Lote - Ratnagiri	22,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
2	Rural Development	Rural Development							
2.1	Three Season Crops Cultivation, Zero till farming, Cash Crop Cultivation, Seed and fertilizer Support, Support of Tools Bank, Demonstration, Exposure Visits of Farmers, Krushi Melava & Exhibition, Farmer Workshop, Drip Irrigation, Group farming, Horticulture, Mechanization	Agriculture	Yes	Maharashtra	Roha - Raigad	22,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Group farming-Kharif crops & Rabi crops (Seed distribution), Vermibed distribution, Krushi melava, Horticulture youth & farmers training, Kitchen gardening, Nursery preparation, mechanization, Bio-Gas, Irrigation facility, 365 days Agriculture practices	Agriculture	Yes	Maharashtra	Lote - Ratnagiri	20,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
2.2	Support for Community infrastructure	Community Development	Yes	Maharashtra	Roha - Raigad	1,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Infrastructure development for community- Approach road at creek area, pick up shed at jetty, street light in Bhoiwadi, Community hall infrastructure, students hostel & kitchen repairing, Dhobi Ghat at Songaon	Community Development	Yes	Maharashtra	Lote - Ratnagiri	9,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
2.3	Animal Data, Fodder Management, AI & Vaccination Camp, Cattle Melava, Poultry & Goat Management training Program, Support to Bio Gas, Workshops, Group Fish Farming, Exposures Visit, Chara Bank - Mechanization Panchayat Samiti - Vet. Department. Vaccination Drive Deworming Drive Nutritious Powder Drive Health Camp - Quarterly	Animal Welfare	Yes	Maharashtra	Roha - Raigad	4,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Fodder cultivation, Infrastructure facility, Bird flu awareness, Vaccination training program, Mechanization - Chaff cutter, Grass cutter etc.	Animal Welfare	Yes	Maharashtra	Lote - Ratnagiri	3,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
2.4	Emergency on Roha Site Requirement - Local appeals	Emergency Site Requirement	Yes	Maharashtra	Roha - Raigad	6,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
3	Pradnya Vikas Program - Support to School, Training Program to Teachers, Skill development - Workshop, Science Lab in New Schools, Sports, School Infrastructure, Safe Drinking Facility in Schools	Promotion of Education	Yes	Maharashtra	Roha - Raigad	5,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Gunvatta Vikas, Special coaching for 10 th Std., Teacher training, MPSC/UPSC, School Infrastructure, Digital school, "Educate the under privileged" 10 th std. program for needy students during pandemic.	Promotion of Education	Yes	Maharashtra	Lote - Ratnagiri	9,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
4.1	Preventive Health Program for Ladies & youngsters, Doctors Program in Village, Best Practices Awareness - Handwash etc, Eye -Camps, Yoga for Ladies	Preventive Health Care	Yes	Maharashtra	Roha - Raigad	5,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Immunity boosters plants distribution, HB Checking camp, Medicines & Doctor charges at SGVT	Preventive Health Care	Yes	Maharashtra	Lote - Ratnagiri	4,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Rural Development	Rural Development		Andra Pradesh - Vishakhapatnam	Vizag	1,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
4.2	Food Processing Value added training Program, Skill development training, Support to Mechanization, Exposure Visit, Marketing Training	Women Empowerment	Yes	Maharashtra	Roha - Raigad	5,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Cashew processing unit, Nagali value addition, fish value addition, spices preparation, Advanced Beauty parlor, Fiber Boat preparation, Fish & Crab cultivation training, Bamboo value addition (Sky Lamp)	Women Empowerment	Yes	Maharashtra	Lote - Ratnagiri	8,66,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
4.3	Sewage Water - Sand filters, Nirdhur Chulla, Tree plantation nursery, Compost Fertilizer Units - Bags	Environmental Sustainability	Yes	Maharashtra	Roha - Raigad	2,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Tree plantation, Sanitation, Solar lamp, Hydel power generation, organic manure preparation, Bio-Gas	Environmental Sustainability	Yes	Maharashtra	Lote - Ratnagiri	4,80,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
4.4	Training Hall, Tool Banks Shade, Office renovation	Rural Development and Infrastructure	Yes	Maharashtra	Roha - Raigad	1,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Medicinal plant demonstration plot, Infrastructure for office building	Rural Development and Infrastructure	Yes	Maharashtra	Lote - Ratnagiri	3,54,000	No	Shri Vivekananda Research And Training Institute	CSR00000085

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
5	Ventilator, Cotton Masks, Face shield Sanitizers, Food Pkts, Swab Testing Cabin, Immunity Booster Powders etc. Spray Pumps distribution for sanitizing, PPE kit, thermometer & oximeter, Grocery distribution, Medicines (Ayurvedic, Homeopathic) Awareness program on prevention from COVID,	COVID – 19	Yes	Maharashtra	Roha - Raigad, Lote - Ratnagiri, Mumbai, Vizag	35,81,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
6	Rural Development	Rural Development	Yes	Gujarat	Baroda	15,00,000	No	ATTAPI	
7	Seaweed Projects	Environmental Sustainability.	Yes	Gujarat	Kutch	40,00,000	No	ICCSIR	
8	Rural Development	Rural Development	Yes	Gujarat	Baroda	19,00,000	No	NCCSD	
9	VRTI Mandvi	Rural Development - Water & Agriculture	Yes	Gujarat	Kutch	26,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
TOTAL (c)						2,92,31,000			

- d. Amount spent in Administrative Overheads: 4 lakhs
- e. Amount spent on Impact Assessment, if applicable: NA
- f. Total amount spent for the Financial Year (8b + 8c + 8d + 8e): 296.31 Lakhs
- g. Excess amount for set off, if any: Nil
9. (a) Details of Unspent CSR amount for the preceding three financial years: **NIL**
 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **NA**
11. Specify reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): **NA**

For and on behalf of the Board of Directors

Ashwin C. Shroff
 Executive Chairman and
 Chairman of CSR committee
 Din: 00019952

Ravi A Shroff
 Managing Director
 Din: 00033505

Date: 13th August, 2021
 Place: Mumbai

ANNEXURE III TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
EXCEL INDUSTRIES LIMITED
184-187, Swami Vivekanand Road
Jogeshwari (West)
Mumbai – 400 102

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Excel Industries Limited** having CIN: L24200MH1960PLC011807 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined through digital mode the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018.
- (v) Further, as representation made by the management and relied upon by me, during the period under review, provisions of the Drugs and Cosmetics Act, 1940 and The Drugs and Cosmetics Rules, 1945 to the extent of filing of returns, maintaining records and renewal of requisite license were complied by the Company.

As per the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations/guidelines were not applicable to the Company:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
 - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to this report.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors, if any that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is generally given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and as informed, there were no dissenting members' views and hence not recorded as part of the minutes.

I further report that as per the explanations given to me in the representations made by the management and relied upon by me, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As per the explanations given to me and the representations made by the management and relied upon by me, I further report that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affair.

CS PRASHANT DIWAN
Practicing Company Secretary
FCS: 1403 CP: 1979
PR: 530/2017
UDIN: F001403C000781941

Date: 13th August, 2021

Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure “A”

To
The Members
EXCEL INDUSTRIES LIMITED
184-187, Swami Vivekanand Road
Jogeshwari (West)
Mumbai – 400 102

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. I have not carried out the physical verification of any records due to prevailing conditions of COVID-19 in the country. I have relied on the records as made available by the Company through digital mode as well as I have also relied on the Management representation made by the Company.

CS PRASHANT DIWAN
Practicing Company Secretary
FCS: 1403 CP: 1979
PR: 530/2017
UDIN: F001403C000781941

Date: 13th August, 2021
Place: Mumbai

ANNEXURE IV TO DIRECTORS' REPORT 2020-21

(A) CONSERVATION OF ENERGY

- (i) The steps taken or impact on conservation of energy:
Installation of 17 Nos of 60 W. automatic solar street lights across site saving 2450 KWH electricity per year.
- (ii) The steps taken by the company for utilizing alternate sources of energy:
Procured 70 Lacs units at Roha and 56 Lacs Units at Lote of renewable electrical power supply (Solar & wind) through open access scheme, reducing the carbon emission approximately by 10.30 MT.
- (iii) The capital investment on energy conservation equipment was ₹ 1 lakh.

(B) TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption and benefits derived thereof:
1. Startup of in-house solvent recovery unit has resulted in high throughput of solvent reuse in all the production units.
 2. Capacity expanded with automated systems leading to approximately 40% rise in production of a water treatment chemical and 200% rise in production of a Specialty Chemical.
 3. In one of the Veterinary API, change in process of crystallization has resulted in yield improvement by 20%.
 4. Introduction of Reverse Osmosis process and Scale ban technology in waste water treatment has resulted in reuse of water @ 200 KLD.
- (ii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil.
- (iii) The expenditure incurred on R& D for the FY 2020-21

(₹ in Lacs)

Capital	1000.70
Recurring	579.78
Total	1580.48
Total R&D expenditure as a percentage of total turnover	2.11%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the FY 2020-21 is ₹ 13,672.58 lakhs and the foreign exchange outgo in terms of actual outflows during the FY 2020-21 is ₹ 14,426.72 lakhs.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Executive Chairman
DIN: 00019952

Date: 13th August, 2021
Place: Mumbai