



EXCEL INDUSTRIES LIMITED

Regd. Office : 184-87, Swami Vivekanand Road, Jogeshwari (West), Mumbai 400 102
Tel.: 022 66464200 Email: ranjan.desai@excelind.com Website: www.excelind.co.in

NOTICE

Notice is hereby given that an Extraordinary General Meeting of the Members of the Company will be held as scheduled below:

DAY : Saturday
DATE : 15th March, 2014
TIME : 3.00 p.m.
PLACE : Rama Watumull Auditorium, Kishinchand Chellaram College,
Dinshaw Wacha Road, Churchgate, Mumbai-400 020.

to transact the following **Special Business**:

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution for the preferential issue and allotment of convertible warrants as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 or the Companies Act, 2013, as the case may be, ("the Act"), (including any statutory modification(s) or re-enactment thereof, for the time being in force), the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as presently in force ("SEBI (ICDR) Regulations, 2009") and subject to the provisions of the Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with the Stock Exchanges where the Company's shares are listed, and other applicable regulations/guidelines of the Securities and Exchange Board of India ("SEBI"), if any, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India ("GOI"), the Reserve Bank of India ("RBI") and any other competent or concerned authority and subject to such approvals, permissions, consents and sanctions, if any, as may be required to be obtained from SEBI, Stock Exchange(s) and such other concerned authorities as may be required by law or as may be necessary and further subject to such conditions and modifications as may be imposed/prescribed by them while granting such approvals/permissions/consents/approvals and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of Directors which the Board may have constituted or may hereafter constitute in this behalf to exercise the powers conferred on the Board by this resolution), the Board be and is hereby authorised in its absolute discretion, to create, offer, issue and allot to Ulkarsh Global Holdings Private Limited, a promoter group company, for consideration in cash, on preferential basis, upto 20,00,000 (Twenty Lacs) convertible warrants (hereinafter referred to as the "Warrants") of the face value of ₹ 69/- each aggregating to ₹ 13,80,00,000 (Rupees Thirteen Crores Eighty Lacs), each such Warrant convertible, at the option of the holder of Warrants, into one equity share of the face value of ₹ 5 (Rupees Five) each of the Company at a premium of ₹ 64/- per equity share, the conversion price of which has been determined in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009;

RESOLVED FURTHER THAT the holder of Warrants shall have the option of conversion of Warrants, in one or more tranches, into equity shares, at the aforesaid conversion price determined in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009, at any time within 18 months from the date of allotment of the Warrants;

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of Warrants as may be necessary in accordance with the terms of the issue;

RESOLVED FURTHER THAT without prejudice to the generality of the above, the "Relevant Date", as per the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009, as amended up to date, for determination of the price of the equity shares to be issued and allotted upon conversion of the Warrants, is 13th February, 2014, being the date 30 days prior to the date of this Extraordinary General Meeting;

RESOLVED FURTHER THAT the equity shares to be allotted on conversion of the Warrants shall rank *pari passu* in all respects with the existing equity shares of the Company;

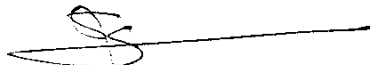
RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things; and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary, desirable, proper or expedient and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the equity shares with the Stock Exchanges without requiring the Board to secure any further consent or approval of the Members of the Company;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or any officers of the Company to give effect to this resolution or for matters connected herewith or incidental hereto."

For and on behalf of the Board of Directors

For EXCEL INDUSTRIES LIMITED

Date : 13th February, 2014
Place : Mumbai


S. K. SINGHVI
Company Secretary

Ashwin C. Shroff
Chairman and Managing Director

NOTES:

- a. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the above item of Special Business is annexed hereto.
- b. **A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time of this Extraordinary General Meeting.**
- c. Members who hold shares in de-materialised form are requested to bring their Client ID and DP ID number for easy identification of attendance at the meeting.
- d. Members/Proxy holders are requested to produce at the entrance of the hall, attendance slips provided to them duly completed and signed in accordance with the specimen signature registered with the Company for admission to the meeting hall.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The Company proposes to augment long-term financial resources to meet the funding requirements for on-going capital expenditure arising out of growth in the Company's business and margin for working capital requirements, thereby strengthening the financial structure of the Company. In this connection, it is proposed to issue, on preferential basis, convertible warrants under SEBI (ICDR) Regulations, 2009, to Utkarsh Global Holdings Private Limited ("UGHPL"), a promoter group company.

The Board of the Directors of the Company at its meeting held on 13th February, 2014 has, subject to the shareholders' consent, approved the proposal for issue and allotment of 20,00,000 (Twenty Lacs) Warrants convertible into equity shares of the Company in accordance with SEBI (ICDR) Regulations, 2009 on preferential basis to UGHPL.

The Special Resolution contained in the Notice, has been proposed under the provisions of Section 81(1A) of the Act and SEBI (ICDR) Regulations, 2009. Section 81(1A) of the Act requires special resolution of members of the Company, if the further equity shares are not offered to the existing equity shareholders on pro-rata basis.

Accordingly, consent of the members is being sought to the issue and allotment of 20,00,000 (Twenty Lacs) Warrants convertible into equity shares of the Company in accordance with SEBI (ICDR) Regulations, 2009 on the terms specified hereunder.

The salient terms of the issue of Warrants as approved by the Board of Directors are as follows:

Particulars	Description
Type of Issue	Preferential issue pursuant to Section 81(1A) of the Companies Act, 1956 and SEBI (ICDR) Regulations, 2009 as presently in force.
Type of Security	Fully convertible security in the nature of Warrants, convertible into or exchangeable with equity shares at the option of the holder of Warrants.
Number of Warrants	Up to 20,00,000 (Twenty Lacs).
Issue Price/Face Value per Warrant	₹ 69/- (Rupees Sixty Nine) per Warrant of face value of ₹ 69/- each, payable in cash.
Relevant Date	13 th February, 2014, being the date 30 days prior to the date of this Extraordinary General Meeting.
Pricing for conversion of Warrants	Each Warrant of face value of ₹ 69/- will, at the option of the holder of Warrants, be converted into one equity share of face value of ₹ 5 (Rupees Five) of the Company at a premium of ₹ 64/- (Rupees Sixty Four) per equity share. The pricing is in conformity with the SEBI (ICDR) Regulations, 2009.
Tenure of Warrants	The Warrants will, at the option of the holder of Warrants, be converted into equity shares in one or more tranches, not later than 18 months from the date of their allotment.
Payment Terms	25% of the issue price of the Warrants shall be paid on the date of allotment of the Warrants. In case the option to convert the Warrants is not exercised within 18 months from the date of their allotment, this amount will be forfeited by the Company. The balance 75% of the issue price of the Warrants is payable at the time of allotment of the equity shares pursuant to exercise of option of conversion against the Warrants.

Particulars	Description
Listing	The equity shares resulting from the conversion of the Warrants shall be listed on the National Stock Exchange and Bombay Stock Exchange.
Lock-in	The equity shares allotted pursuant to conversion of the Warrants issued on preferential basis shall be locked-in for a period of three years from the date of trading approval granted for the equity shares allotted pursuant to exercise of the option attached to the Warrants in accordance with and subject to the provisions of the SEBI (ICDR) Regulations, 2009.
Transferability of locked-in securities	The Warrants and equity shares allotted pursuant to exercise of the option attached to the Warrants may be transferred among the promoters or promoter group or to a new promoter or persons in control of the Company as may be permissible under the SEBI (ICDR) Regulations, 2009. However, neither the Warrants nor the equity shares shall be so transferred by the proposed allottee till trading approval for equity shares is granted by both the stock exchanges.
Other terms	Each Warrant will be adjusted for any corporate action, as applicable, including any adjustment in connection with split, bonus and/or consolidation of the equity shares of the Company.

The proposed issue of Warrants fulfills the conditions for making a preferential issue as contained in the SEBI (ICDR) Regulations, 2009.

The disclosures as required under SEBI (ICDR) Regulations, 2009 are as follows:

1) Objects of the Preferential Issue

The Company proposes to augment long-term financial resources to meet the funding requirements for on-going capital expenditure arising out of growth in the Company's business and margin for working capital requirements. The Company's business has been growing for the last few years and this growth momentum necessitates upgrading/modernizing/expanding the manufacturing facilities. Therefore, the Company now proposes to issue 20,00,000 (Twenty Lacs) Warrants, convertible into equity shares at any time within a period of 18 months from the date of allotment, to the proposed promoter group allottee on preferential basis at a price derived as per SEBI (ICDR) Regulations, 2009.

The proceeds from preferential issue will be utilized to part finance the capital expenditure and working capital requirements of the Company.

2) Proposal of the Promoters/Directors/Key Management Personnel of the Company to subscribe to the Warrants

UGHPL, a promoter group company, has expressed its desire to subscribe to the proposed issue of the Warrants on preferential basis. No other person, except UGHPL, has expressed interest in subscribing to the Warrants.

3) Shareholding pattern before and after the issue

The shareholding pattern of the Company before and after the completion of the proposed preferential issue and conversion of the Warrants would be as under:

Sr. No.	Category	Pre-issue (as on 31.01.2014)		Post-issue (presuming conversion of all Warrants)	
		No. of Shares	% in total capital	No. of Shares	% in total capital
A.	Promoter and Promoter Group				
1	Indian:				
	Individual/HUF	423848	3.89	423848	3.28
	Bodies Corporate	4057100	37.20	6057100	46.93
	Others	0	0	0	0
	Sub-Total A(1)	4480948	41.09	6480948	50.21
2	Foreign:				
	Individuals (NRI/Foreign Individual)	104082	0.95	104082	0.81
	Body Corporate	0	0	0	0
	Others	0	0	0	0
	Sub-Total A(2)	104082	0.95	104082	0.81
	Total A = A(1)+A(2)	4585030	42.04	6585030	51.02

Sr. No.	Category	Pre-issue (as on 31.01.2014)		Post-issue (presuming conversion of all Warrants)	
		No. of Shares	% in total capital	No. of Shares	% in total capital
B.	Public Shareholding				
1	Institutions:				
	Mutual Funds/UTI	850	0.01	850	0.01
	Financial Institutions/Banks	1015629	9.31	1015629	7.87
	Central Government/State Government(s)	0	0	0	0
	Venture Capital Funds	0	0	0	0
	Insurance Companies	0	0	0	0
	Foreign Institutional Investors/Foreign Banks	822	0.01	822	0.01
	Foreign Venture Capital Investors	0	0	0	0
	Any other	0	0	0	0
	Sub-Total B(1)	1017301	9.33	1017301	7.89
2	Non Institutions:				
	Bodies Corporate	347533	3.18	347533	2.69
	Individuals:				
	Individuals holding nominal share capital up to ₹ 1 Lac	3617110	33.17	3617110	28.03
	Individuals holding nominal share capital above ₹ 1 Lac	1282222	11.76	1282222	9.93
	Non Resident Indians	56434	0.52	56434	0.44
	Others	0	0	0	0
	Sub-Total B(2)	5303299	48.63	5303299	41.09
	Total B = B(1) + B(2)	6320600	57.96	6320600	48.98
C.	Shares held by custodians, against which Depository Receipts have been issued	0	0	0	0
	Grand Total (A + B + C)	10905630	100	12905630	100

4) Time within which the preferential issue shall be completed

The allotment of Warrants shall be completed within 15 (Fifteen) days from the date of passing of the special resolution by the members, provided that where the allotment on preferential basis is pending on account of pendency of any approval or permission for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 (Fifteen) days from the date of such approval or permission.

The proposed allottee of the Warrants shall, at its option, be entitled to apply for conversion of the Warrants into equity shares of the Company as per the terms of the preferential issue, at any time within 18 months from the date of allotment of the Warrants.

The allotment of Warrants and the allotment of equity shares to be allotted pursuant to the exercise of option attached to the Warrants, shall only be made in dematerialized form.

5) Identity of the proposed allottee and the percentage of post-preferential issue capital that may be held by the allottee

The proposed allottee, Utkarsh Global Holdings Private Limited, is a company belonging to the promoters' group. The percentage that may be held by the allottee in post-issue capital on conversion of the Warrants shall be as under:

Sr. No.	Name of the allottee	% of post-preferential issue capital
1.	Utkarsh Global Holdings Private Limited, (formerly, Utkarsh Chemicals Private Limited) a company registered under the Companies Act, 1956 under registration number U65910MH1980PTC022574 with the Registrar of Companies, State of Maharashtra, Mumbai having its Registered Office at 13, Aradhana Industrial Development Corporation, Ground Floor, Near Virwani Industrial Estate, Goregaon (East), Mumbai - 400 063.	41.31%

The identity of the natural persons who are ultimate beneficial owners of the equity shares to be allotted and/or who ultimately control the proposed allottee are :

Mr. Ashwin C. Shroff residing at B-15, Vasant Theosophical Society, Juhu Road, Juhu, Mumbai-400 049.

Mrs. Usha A. Shroff residing at B-15, Vasant Theosophical Society, Juhu Road, Juhu, Mumbai-400 049.

Mr. Ravi A. Shroff residing at B-15, Vasant Theosophical Society, Juhu Road, Juhu, Mumbai-400 049.

Mr. Hrishit A. Shroff residing at B-15, Vasant Theosophical Society, Juhu Road, Juhu, Mumbai-400 049.

Mrs. Anshul A. Bhatia residing at B-15, Vasant Theosophical Society, Juhu Road, Juhu, Mumbai-400 049.

6) Change in control, if any, in the Company consequential to the preferential issue

There will be no change in the control of the Company on account of the proposed preferential issue and allotment. However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to the conversion of the Warrants into equity shares issued on preferential basis.

7) Undertaking from the Company regarding re-computation of the price and amount payable on re-computation

The Company is not required to re-compute the price, as the closing prices of the equity shares of the Company are available for calculating the price/conversion price in terms of SEBI (ICDR) Regulations, 2009 as the equity shares of the Company have been listed on the recognized stock exchanges for a period of more than 26 weeks on the Relevant Date.

8) Relevant Date and Pricing

The "Relevant Date" for the purpose of determining the price for conversion of the Warrants into equity shares is 13th February, 2014, being the date 30 days prior to the date of this Extraordinary General Meeting.

As per SEBI (ICDR) Regulations, 2009, the Warrants will be issued at the face value of ₹ 69/- each, each Warrant convertible into one equity share of the face value of ₹ 5 (Rupees Five) at a premium of ₹ 64/- (Rupees Sixty Four) per equity share.

9) Lock-in period

The equity shares to be issued on conversion of the Warrants shall be subject to lock-in for a period of three years from the date of trading approval granted for the equity shares allotted pursuant to exercise of the option attached to the Warrants as per the SEBI (ICDR) Regulations, 2009.

Warrants and equity shares allotted pursuant to exercise of the option attached to the Warrants may be transferred among the promoters or promoter group or to a new promoter or persons in control of the Company as may be permissible under the SEBI (ICDR) Regulations, 2009. However, the equity shares shall not be so transferred by the proposed allottee till trading approval is granted by both the stock exchanges.

10) Statutory Auditors' Certificate

Copy of the certificate from M/s S. R. Batliboi & Co LLP, Chartered Accountants, Statutory Auditors of the Company, certifying that the proposed issue of the convertible Warrants is in accordance with the requirements of SEBI (ICDR) Regulations, 2009, will be placed before the shareholders at the Extraordinary General Meeting, and will be open for inspection at the Registered Office of the Company on all working days except Saturday and Sunday from 10.00 a.m. to 01.00 p.m. prior to the date of the Extraordinary General Meeting.

The Company will submit to the stock exchanges a certificate as required under the SEBI (ICDR) Regulations, 2009 while making the application for prelisting/listing of the equity shares.

Members' Approval:

As per Section 81(1A) of the Act and SEBI (ICDR) Regulations, 2009, approval of the members by way of special resolution is required to be obtained for issuance of Warrants on preferential basis. Your Directors, therefore, recommend the resolution for your approval.

Memorandum of Interest:

Mr. Ashwin C. Shroff, Chairman & Managing Director and Mrs. Usha A. Shroff, Executive Vice Chairperson, are deemed to be interested in the issue of Warrants to the proposed allottee. Mr. Dipesh K. Shroff and Mr. Atul G. Shroff, Directors, being part of the promoter group, may also be deemed to be concerned or interested in this resolution. None of the other Directors is in anyway concerned or interested in this resolution.

Nature of concern or interest of Directors, key managerial personnel and their relatives in the Resolution is as under:

Name of Directors/Key Managerial Personnel/Relatives	Nature of concern or interest	% of holding in UGHPL
Mr. Ashwin C. Shroff, Chairman & Managing Director	Promoter of both UGHPL and the Company	86.81
Mrs. Usha A. Shroff, Executive Vice Chairperson	Promoter of both UGHPL and the Company	1.59
Mr. Ravi A. Shroff, Senior Vice President (Business Development)	Promoter of both UGHPL and the Company	5.42
Mr. Hrishit A. Shroff, son of Mr. Ashwin C. Shroff	Promoter of both UGHPL and the Company	5.41
Mrs. Anshul A. Bhatia, daughter of Mr. Ashwin C. Shroff	Promoter of both UGHPL and the Company	0.17

No other key managerial personnel are, in any way, concerned or interested in this resolution.

For and on behalf of the Board of Directors

Date : 13th February, 2014
Place : Mumbai

Ashwin C. Shroff
Chairman and Managing Director



EXCEL INDUSTRIES LIMITED

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

ATTENDANCE SLIP

I hereby record my presence at the Extraordinary General Meeting of the Company being held at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai-400 020 on Saturday, the 15th March, 2014 at 3.00 p.m.

Member's/Proxy's Name
(in Capital Letters)

Folio No./DPID & Client ID No.

No. of shares

Member's/Proxy's Signature



EXCEL INDUSTRIES LIMITED

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

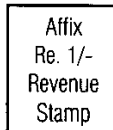
FORM OF PROXY

I/We
of in the District of
being a Member/Members of the above named Company hereby appoint Mr./Ms.
of in the District of
or failing him/her Mr./Ms.
of in the District of
or failing him
of in the District of

as my/our Proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai-400 020 on Saturday, the 15th March, 2014 at 3.00 p.m. and at any adjournment thereof.

Signed this day of 2014.

Signed



Folio No./DPID & Client ID No.

No. of shares

Note: The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the Meeting. A Proxy need not be a member.