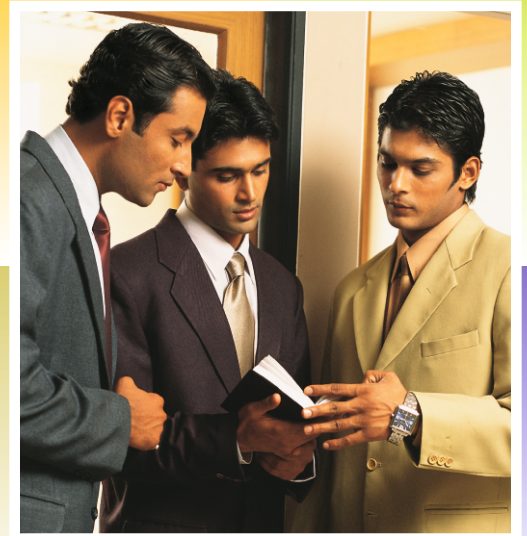




An **MW Corp** Enterprise



**MW** **unitexx**  
total uniform solutions

# MW Unitexx Limited

*Annual Report 2010-11*



## Integrated Fabric Manufacturing Facility - Frosinone, Italy



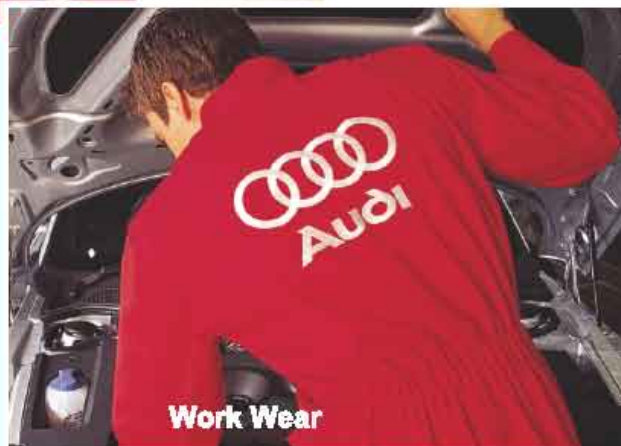
**MW**unitexx  
total uniform solutions

**World's Largest Manufacturer of Uniform Fabrics**

**Image Wear**



**Work Wear**



**Protective Wear- Flame Retardant**



**KLOPMAN**  
International

## BOARD OF DIRECTORS

**Shri Mukul S. Kasliwal**  
Chairman

**Shri Warij A. Kasliwal**  
Vice Chairman

**Shri V. K. Maloo**  
Managing Director

**Shri V. K. Jain**  
Director

**Shri Y. R. Shah**  
Director

**Shri G. Banerjee**  
Director

**Shri N. Ramakrishnan**  
Director

### REGISTERED OFFICE

S. KUMARS HOUSE, Plot No. 60,  
MIDC, Phase II, Street 14,  
Andheri (E), Mumbai – 400093.  
Tel: 022 28322676  
Email : [info@skumarsunitexx.com](mailto:info@skumarsunitexx.com)  
Website : [www.skumarsunitexx.com](http://www.skumarsunitexx.com)

### AUDITORS

M/s. Malpani & Associates  
Chartered Accountants,  
307, Chartered House,  
Marine Lines, Mumbai – 400 002

### CORPORATE OFFICE

4<sup>th</sup> Floor, Harchandrai House,  
Maharshi Karve Road,  
Marine Lines (East),  
Mumbai- 400 002.  
Tel.: 022-66044242

### MARKETING OFFICE

E-209, Crystal Plaza,  
New Link Road,  
Opp. Infinity Mall,  
Andheri (West),  
Mumbai 400 053  
Tel.: 022-67084302

### REGISTRAR & TRANSFERAGENTS

M/s. Bigshare Services Pvt. Ltd.  
E-2, Ansa Industrial Estate,  
Sakivihar Road, Sakinaka,  
Andheri (East), Mumbai – 400 072  
Tel: 022 40430265  
Fax : 022 28475207  
Email : [info@bigsharesonline.com](mailto:info@bigsharesonline.com)  
Website : [www.bigsharesonline.com](http://www.bigsharesonline.com)

### MAIN BANKER

IDBI Bank Ltd, GOPI Chamber Branch,  
Andheri (W)

### SUSIDIARIES

- 1) S. Kumars Limited
- 2) MW Unitexx S. A.

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## Chairman's Statement

Dear shareholders,



I take great pleasure in welcoming you to the Annual General Meeting of MW Unitexx for the fiscal year 2010-11.

The year 2010 saw growth in all major developed and emerging economies. The global economy recovered to record a growth rate of 5% in 2010 from 2.7% in 2009. On the back of improved economic conditions and strong demand, the textile industry too, which was severely impacted by the global slowdown, witnessed a smooth and broad based recovery in 2010. Orders started flowing in from the developed markets of US and Europe. On the domestic front too, there has been an increase in demand, as a result of

rising disposable income, rapid urbanisation and changing demographics.

Your company represents the consolidated textile business of MW Corp, bringing together the 63 year old S.Kumars Limited (the market leader in uniform fabrics in India), Klopman International (the largest player in Work Wear and Protective Wear fabrics in Europe) and S.Kumars Unitexx, (the Ready-to-Wear uniforms division) to form MW Unitexx.

Our stellar achievement for the year was the turnaround witnessed by Klopman, wherein Klopman was turned into a profit making entity. Klopman is Europe's largest Work Wear and Protective Wear brand with an enviable market share of over 30% in the European market. The two segments have the potential to grow multifold on the back of revival in the end-user markets such as construction, healthcare and hospitality, rising awareness among end users about health and safety issues and product innovation. Legislation continues to be the biggest driver of protective wear sales in Europe.

Klopman is now in the process of expanding its base to cover new international markets like India, the Middle East, South Africa, Australia and New Zealand. Klopman is also setting up an R&D centre in Italy in order to develop multi-protective functionality in various fabrics. The laundry segment has also successfully achieved 75 industrial washes of their garments.

We are firmly positioned in the Indian market, with our bouquet of established products in S.Kumars and S.Kumars Unitexx which together successfully encapsulate all uniform needs at every level in the market. The original uniforms brand S.Kumars that is synonymous with 'uniforms' is well established in the Indian market as being the premier choice for high quality, value-for-money fabrics.. S.Kumars Unitexx, the Ready-to-Wear uniforms division of MW Unitexx, serves as a one-stop-shop for all uniform needs through its school uniforms brand 'Medallion' and its institutional uniforms brand 'WorkStarr'.

The Indian uniform market is estimated at Rs 10,000 crores for the school uniform segment and at Rs 2,000 crores for the corporate/institutional uniform market having drivers well in place for rapid expansion. In the corporate sector, with the increasing importance of corporate branding, companies have been increasingly exploring opportunities for creating an environment that best projects their brand. One of the main aspects of creating a brand image is an impressive corporate uniform. In the education sector, an increasing private K-12 market is likely to boost the demand for branded school uniforms. Moreover, the Government has been taking initiatives to distribute free school uniforms translating into huge orders for the players of this market. The market, which is largely dominated by unorganised players with a small capacity and inconsistent quality, offers tremendous opportunity for an organised player like MW Unitexx.

During the year, S.Kumars Limited commissioned a new Spinning unit in Pithampur, which has enabled us to acquire a Composite Mills status. This will help us further expand growth in India and expand our outreach to cover more markets like the Government and Military tenders.

S.Kumars Unitexx has successfully received continuous repeat orders from its esteemed clients including Tata Croma, Tata Teleservices, Voltas, Nissan, Plethico Pharma, Meru Cabs, Bosch, Siemens and HPCL, among others. Moreover, the company is pleased to announce the addition of a marquee of new clients including Blue Star, Thermax Ltd, Hikal Ltd, Volkswagen India, Arya Iron & Steel, Bharat Bijlee, Ador Welding, Sai Services, Mahindra Steel, etc, which would add to our growth in coming years.

Our renewed efforts in further expanding our business have started bringing in positive results for your company. During 2010-11, your company achieved a consolidated turnover of Rs 943.7 crore. MW Unitexx reported a EBDITA of Rs 82.78 crore and a net profit of Rs 12.5 crores in the year under review. The consolidated production capacity of around 70 million metres per annum makes MW Unitexx the largest uniform manufacturer in the world.

MW Unitexx, with its inbuilt competitive advantages and well defined strategies, is ready to take on the advantage of the expanding opportunities in the uniforms market in order to grow at a faster pace in the future. Being an organized player in the Indian market backed by a six decade old relationship of trust built with our customers, the Company would continue to strengthen its foothold the domestic front. And with our dominant position in the promising European market, we are firmly placed to expand in other key international markets with products that come with high quality, consistency, value and durability.

Finally, we would like to thank all our investors, the Board, the management, our dedicated employees and the community at large for their consistent support and commitment; as well as our esteemed customers for their confidence in us.

With best wishes

Sd/-

**Mukul Kasliwal**

## NOTICE

**NOTICE** is hereby given that the 11<sup>th</sup> Annual General Meeting of the members of MW Unitexx Limited (formerly known as S. Kumars Unitexx Limited) will be held on 17<sup>th</sup> day of December, 2011 at M C Ghia Hall, 4<sup>th</sup> Floor, Bhogilal Hargobindas Building, 18/20 K. Dubhash Marg, Kala Ghoda, Mumbai - 400001 at 3.30 p.m., to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011, the Profit & Loss Account and the Cash Flow Statement for the year ended March 31, 2011 and the Reports of the Directors and the Auditors thereon.
2. To appoint a director in place of Shri V. K. Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Shri G. Banerjee, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Malpani & Associates, Chartered Accountants as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the 12th Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**.

**“RESOLVED THAT**, pursuant to Section 198, 269 and 309 of the Companies Act, 1956 along with all other applicable provisions, if any, and accordance to schedule XIII of the Companies Act, 1956 and if required subject to the approval of the Central Government, the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Vrajendra Kumar Maloo as the Managing Director of the Company w.e.f. 1<sup>st</sup> August, 2011 for a period of 3 (Three) years with a remuneration of Rs.36,00,459/- p.a. (Rupees Thirty Six Lacs Four Hundred Fifty Nine Only) plus Company maintained Chauffer driven Car & Telephone expenses & on such other terms and conditions, including expressly the remuneration and perquisites payable to him, as set out in the Agreement between the company and the said Mr. Vrajendra Kumar Maloo.”

**“RESOLVED FURTHER THAT** in the event of any statutory amendment or modification to the managerial persons or to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary or increase the remuneration including Salary, commission, perquisites, etc. within such prescribed limited.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps expedient or desirable to give effect to this resolution.”

6. **APPROVAL U/S 293 (1) (a) OF THE COMPANIES ACT, 1956.**

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the mortgaging and/ or charging by the Board of Directors of the Company of all the immovable properties of the Company wheresoever's situated, present and future, and the whole or part of the undertaking of the Company and/ or

creating a floating charges or hypothecation of all tangible and movable assets of the Company, present and future to or in favour of any Financial Institutions/ Bank/ Companies/ Associations or any other Authority to secure rupee/ foreign currency terms loans/ Guarantee/ Foreign Letter of Guarantee/ Deferred Payment Guarantee/ non – convertible debentures/ working capital advances/ project finance loans/ equipment finance loans or any loan/ advances, not exceeding **Rs. 5000,00,00,000/- (Rupees Five Thousand Crores Only)** together with interest thereon at the respective agreed rates, compound/ additional interest, liquidated damages, guarantee commission, commitment charges, premium on pre payment or on redemption, costs, charges, expenses and all the other monies payable by the Company to the lending institutions in terms of the loan agreement(s) to be entered into by the Company in respect of the said loans/ Guarantees and such security to rank parri passu with the mortgages and / or charges already created or to be created in future by the Company or in such manner as may be agreed to between the concerned parties as may be thought expedient by the Board of Directors.”

**7. AUTHORITY UNDER SECTION 293 (1) (d) OF THE COMPANIES ACT, 1956:**

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 293 (1) (d) and all other applicable provisions, if any, of the Companies Act, 1956, the consent of the members be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time such sum or sums of moneys as it may consider fit for the purpose of the business of the Company notwithstanding that the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Banker(s) in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves i.e. to say, reserves not set apart for any specific purpose, provided, however, that the total amount so borrowed by the Board of Directors and outstanding at any one time shall not exceed the sum of **Rs. 5000,00,00,000/- (Rupees Five Thousand Crores Only)**”.

**8. ALTERATION IN ARTICLES OF ASSOCIATION OF THE COMPANY**

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 31 and all other applicable provisions of the Companies Act, 1956, consent of the members of the Company be and are hereby accorded to replace the word “S. Kumars Limited” wherever it appears in the Articles of Association of the Company by the word **MW Corp Private Limited** & replace the word “S. Kumars” wherever it appears in Articles of Association of the Company by word “MW Corp.”

**9. ALTERATION IN ARTICLES OF ASSOCIATION OF THE COMPANY**

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** subject to the provision of section 31 and all other applicable provisions, if any, of the Companies Act, 1956 and confirmation of the Registrar of Companies, Maharashtra, the clause no. 74 be and is hereby inserted under Borrowing Power after the existing clause no. 73 of the Articles of Association of the Company .

74. To provide security in such manner as the company shall think fit and in particular by way of hypothecation, pledge, mortgage, charge upon all or any of the company's movable and immovable property both present and future to banks, financial institutions and persons in respect of their financial or other assistance to company or any other company, body corporate, or other person in which or in whom the company holds interest as a shareholder, lender, promoter or otherwise or to provide guarantee and indemnity to such

banks, institutions and persons against guarantees given or obligation incurred by them on behalf of such company, body corporate or other person.

**“RESOLVED FURTHER THAT** the existing Memorandum & Articles of Association of the Company be and is hereby modified as aforesaid or as suggested by the Regulatory Authorities and accepted by the Board and the same be adopted as the Memorandum & Articles of Association of the Company”.

#### **10. INCREASE IN AUTHROISED CAPITAL OF THE COMPANY**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Sections 94 of the Companies Act, 1956, read with the provisions of the Articles of Associations of the Company and other applicable provisions, if any, the consent of the shareholders be and is hereby accorded to increase the Authorized Share Capital of the Company from Rs.236,00,00,000 (Rupees Two Hundred Thirty Six Crores) divided into 3,85,00,000 (Three Crores Eighty Five Lacs) Equity Shares of Rs.10/- each and 19,80,00,000 (Nineteen Crores Eighty Lacs) Preference Shares of Rs. 10/- each to Rs.2000,00,00,000 (Rupees Two Thousand Crores) only, divided into 180,20,00,000 (One Hundred and Eighty Crores Twenty Lacs ) Equity Shares of Rs.10/- each and 19,80,00,000 (Nineteen Crores Eighty Lacs) Preference Shares of Rs. 10/- each, ranking pari passu with the existing Equity ghty Shares of the Company.

#### **NOTES**

1. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETNG IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Members / Proxies are requested to bring their copy of the Annual Report and the Attendance Slip sent herewith to attend the Annual General Meeting.
4. The Register of Members and Share Transfer Books will remain closed on 15<sup>th</sup> December 2011.
5. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. Members are requested to notify immediately any change in their address along with a Pin Code Number to the Company / Share Transfer Agents.
7. Pursuant to the requirement on corporate governance under Clause 49 of the listing agreements entered into with stock exchanges, the information about Directors proposed to be appointed / re-appointed is given in the Annexure to the Notice.
8. Members are requested to address all correspondence to the Registrar and Share Transfer Agent , M/s Bigshare Services Pvt. Ltd., E – 2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.
9. Members may avail of the facility of dematerialization by opening Depository accounts and get the equity share certificates held by them dematerialized.

**Details of Directors seeking appointment/ Reappointment at the ensuing Annual General Meeting.**

Particulars	Mr. V. K. Jain	Mr. G. Banerjee
Date of Birth	3/10/1956	3/06/1930
Date of Appointment	31/07/2002	25/08/2007
Expertise in specific functional Area	Accounts, Finance	Textiles
Directorship held in other Companies	1) Entegra Limited 2) Ennertech Biofuels Limited 3) Dasna Developers Private Limited 4) Rajasthan Solar Power Company Private Limited 5) Kanchansobha Investments Private Limited	1) Shree Ram Textiles Mills Limited
Number of Shares held in the Company	143034 Shares	NIL

**By Order of the Board  
For MW Unitexx Limited**

Place: Mumbai  
Date: 10/11/2011

Sd/-  
**Mukul S. Kasliwal**  
Chairman

**Important Communication to Members**

*The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that **service of notice/ documents including Annual Report can be sent by e-mail to its members.** To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members feedback form sent along with this Report and register the same with Bigshare Services Private Limited. Postage for sending the feed back form will be borne by the Company.*