

Corporate Information

Board of Directors

Jaykumar K. Pathare	Chairman
Sunil J. Pathare	Vice Chairman & Managing Director
Kapil J. Pathare	Whole Time Director
Dr. Arvind Kulkarni	Director
Gopal Sehgal	Director
Chetan Sheth	Director
Robin Banerjee	Director
Manish Chhajed	Director

Vice President Finance & Company Secretary

R. Venkataraman

Auditors

Attar & Company
Chartered Accountants

Internal Auditors

Sharp & Tannan Associates
Chartered Accountants

Bankers

State Bank of India
Barclays Bank

Plant Location

Spinning Mill	: Kollapalur Village, Gobichettipalayam, Erode, Tamil Nadu - 638456
Knitting Unit	: 360/13, Ganesh Industrial Estate, Village Kachigam, Nani Daman, Daman - 396210
Processing House	: 13-15, SIPCOT, Perundurai, Erode, Tamil Nadu - 638052 C 119, TTC Industrial Area, MIDC, Pawane Village, Navi Mumbai, Maharashtra - 400703
Stitching Units	: 92/94, New GIDC, Umbergaon, Gujarat - 396171 : SF-125/126/127, Appachimarmadam, Thingalur, Erode, Tamil Nadu - 638055
Elastic Unit	: 105, SIDCO, Mudalipalayam, Tirupur, Tamil Nadu - 641606
Socks Unit	: D-20, Okhla Industrial Area, Phase 1, New Delhi - 110020

Registered Office

C-6, Road No.22, MIDC,
Andheri (East),
Mumbai 400 093.
Phone : + 91 22 28257624/27/33,40209000
Fax : + 91 22 28371023/24
E-mail : investor.relations@viporg.com
Website: http://www.maxwell.in

Registrars & Transfer Agents

Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg,
Bhandup (West),
Mumbai 400 078.
Phone : + 91 22 25963838
Fax : + 91 22 25946969
Email : rnt.helpdesk@linkintime.co.in

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20TH ANNUAL GENERAL MEETING

Day	: Thursday
Date	: 12 th August, 2010
Time	: 11.00 a.m
Venue	: The All India Plastics Manufacturers' Association Auditorium , Plot No. A-52, Road No.1, MIDC, Marol, Andheri (East), Mumbai - 400093

NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the Members of Maxwell Industries Limited, will be held on Thursday, 12th August, 2010, at 11.00 a.m at All India Plastics Manufacturers Association Auditorium, Plot No. A - 52, Road No. 1, MIDC, Marol, Andheri (East), Mumbai - 400093 to transact the following business;

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March, 2010, the Profit & Loss Account for the year ended on that date, the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Preference Shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Dr. Arvind Kulkarni who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Gopal Sehjpal who retires by rotation and being eligible, offers himself for re-appointment.
6. To re-appoint Messers. Attar & Co, Chartered Accountants, as the Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

Place : Mumbai
Date : 28th May , 2010

By order of the Board of Directors
For Maxwell Industries Limited

Registered Office :

C-6, Road No. 22,
MIDC, Andheri (East),
Mumbai - 400093.

R. Venkataraman
Vice President Finance &
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Proxy form duly completed, must reach the Registered Office of the Company, not later than forty eight hours before the time appointed for holding the meeting.
3. The Register of members and the share transfer books of the Company, will remain closed from 6th August, 2010 to 12th August, 2010 (both days inclusive).
4. The Company will be transferring the unclaimed dividend for the financial year ended on 31st March, 2003 on or before 14th October, 2010. The members can claim the said dividend on or before 14th September, 2010 as it was the last date for claiming the unpaid dividend for 31st March, 2003. The Company has transferred, the unclaimed dividend upto the financial year ended 31st March, 2002 to the Investors Education and Protection Fund (IEPF) of the Central Government. The Members who have not claimed their dividend for the financial years 2002-03, 2003-04, 2004-05, 2005-06, Interim & Final dividend of 2006-07, 2007-08 and 2008-09 are requested to claim it from the Company immediately.
5. Members are requested to notify any change in their address to the Company at its Registered Office or to the Registrars and Transfer Agents, M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400078.
6. Members desirous of obtaining any information concerning accounts of the Company are requested to address their queries to the Company Secretary atleast Seven days before the date of the meeting, to enable the information required to be made available at the meeting, to the extent possible.
7. Members may be aware, that the Equity Shares of the Company have been subdivided from one equity share of Rs.10/- each to 5 equity shares of Rs.2/- each, in terms of Resolution passed by the Shareholders of the Company at the Extra Ordinary General Meeting of the Company held on 1st February, 2006. The Members who are yet holding their share certificate of Rs.10/- each of the Company need to exchange the same with new equity shares of Rs.2/- each by sending the same to the Company's Registrar & Transfer Agent - M/s. Link Intime India Private Limited since the old share certificate of Rs.10/- each are no longer tradable.
8. Members/proxies are requested to bring the attendance slip duly filled in for attending the Meeting and copy of their Annual Report 2009-10.

**Details of Directors seeking appointment & reappointment at the forthcoming Annual General Meeting:-
(in pursuance of Clause 49 of the Listing Agreement)**

Name of the Director	Dr. Arvind Kulkarni	Mr. Gopal Sehjpal
Date of Birth	22 nd July, 1932	19 th May, 1944
Date of appointment	11.03.1996	23.09.2002
Qualification	M.S	B.A(Eco),M.A(Philosophy),PGPDM, Certified Quality Engineer
Shareholding in Maxwell Industries Limited	-	-
List of Directorship in other Companies	-	Oracle Management Services Pvt. Ltd.

FINANCIAL HIGHLIGHTS

(Rupees in Lakhs) Except ratio and face value of shares.

	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
Equity Share capital	1262	1262	1262	1262	1078 *	616	616	616	616	616
Redeemable Pref. Shares Capital	2435	2435	2435	2435	2435	-	-	-	-	-
Convertible Pref. Shares Capital	-	-	-	1600	-	-	-	-	-	-
Reserves & Surplus	7360	7143	6934	6505	3516	3337	3185	3166	3065	3718
Misc. exp. not written off	14	38	61	109	87	73	106	17	32	46
Net Worth	8608	8367	8135	7658	4507	3880	3695	3765	3649	4288
Long term Debts	1321	2259	1323	2027	1578	1518	1146	1182	1064	
Net Asset Block	7592	7928	8295	5628	5379	2329	2667	3103	3490	3937
Total Income	21139	19818	20780	19485	17534	18006	16302	16333	16390	17561
Profit before tax	1067	1102	1584	1385	1451	246	310	251	328	346
Taxation	365	394	578	547	547	90	106	101	116	30
Profit after tax	702	708	1006	903	904	156	204	150	212	316
Dividend Rate on										
Equity share	20.00%	20.00%	22.50%	20.00%	15.00%	5.00%	5.00%	8.00%	10.00%	10.00%
Redeemable Pref. Shares	5.00%	5.00%	5.00%	5.00%	5.00%	-	-	-	-	-
OCPS	-	-	10.00%	10.00%	-	-	-	-	-	-
No of Equity Shares (in lakhs)	630.77	630.77	630.77	630.77	539 *	61.6	61.6	61.6	61.6	61.6
Face value of Share-Equity (Rs.)	2	2	2	2	2	10	10	10	10	10
Preference (Rs.)	100	100	100	100	100	-	-	-	-	-
Earning per share (Rs.)	0.81	0.80	1.21	0.94	1.54	3.05	0.87	2.55	3.45	5.13
Book value per share (Rs.)	13.65	13.26	12.90	12.14	8.36	62.99	59.98	61.12	59.24	69.61
Current Ratio	1.68	1.77	1.79	1.95	1.55	1.58	1.55	1.51	1.49	1.47

* Split-up of equity shares from Rs. 10/- each to Rs. 2/- each and issue of bonus shares.

DIRECTORS' REPORT

To,

**THE MEMBERS
MAXWELL INDUSTRIES LTD.**

The Directors of your Company, are pleased to present, the 20th Annual Report, on the working and the progress of the Company, along with audited accounts, for the year ended on 31st March, 2010 and Report of the Auditors thereon.

FINANCIAL RESULTS

(Rupees in Lakhs)

	Current Year Ended 31/03/2010	Previous Year Ended 31/03/2009
Profit before Interest, Depreciation & Income Tax	2638.74	2374.12
Less : Interest	1136.32	829.20
Less : Depreciation	435.15	442.84
Profit before tax	1067.27	1102.08
(Less): Provision for income tax - Current & FBT	(329.28)	(335.43)
(Less): Provision for income tax - Deferred	(36.07)	(58.16)
Profit after tax	701.92	708.49
(Add / (Less) : Tax adjustment for previous year	(48.87)	(61.64)
Profits for the year	653.05	646.85

DIVIDEND

(Rupees in Lakhs)

	Current Year Ended 31/03/2010	Previous Year Ended 31/03/2009
5% Redeemable Preference Shares	121.75	121.75
Equity Dividend	252.31	252.31

The Directors have recommended a dividend of 20% on Equity Shares (0.40 paise per Equity Shares of Rs.2/- each and 5% on Redeemable Preference Shares (Rs.5/- per shares of Rs.100/- each) for the financial year ended on 31st March, 2010. The Dividend of Rs.374.06 Lakhs along with dividend distribution Tax of Rs.62.13 Lakhs will absorb Rs.436.19 Lakhs.

OPERATIONS

During the year, your Company has achieved sales of Rs.211.39 crores, as against Rs.191.89 crores, in the previous year. Sales from hosiery business was Rs. 203.17 crores, as against Rs. 185.51 crores, in the previous year representing an increase of 9.52% growth over the previous year. The external sales of the Spinning Division was Rs. 8.22 crores as against Rs. 6.39 crores in the previous year representing an increase of 28.64% over the previous year. The performance of the spinning division continued to be effected by the power situation in Tamil Nadu.

1. Hosiery Division:- During the year under review the hosiery division recorded better turnover. The Company's manufacturing unit at Thingalur (Tamil Nadu), Umbergaon (Gujarat) improved on its productivity. Power supply in Tamil Nadu and shortage of skilled labour however continue to trouble this industry. The Company manufactured and sold closed to 63.27 lakhs boxes as against 60.78 lakhs boxes in the previous year. The socks segment also performed well.

The Company's new international brand of innerwear, under the name Eminence has been launched in the southern states of our country and will soon have its Pan India presence. This new range of products have been well received by the market.

2. Spinning Division:- The Spinning Division of the Company has been badly affected by the power situation in the state of Tamil Nadu. The industry is also facing a trouble due to erratic movement of input cotton price which has resulted in increase in price of yarn. During the year in review, the price of cotton both in the local as well as in the International market increased substantially. There was severe pressure on the price of cotton in the domestic market, with higher exports of cotton as compared to the previous year. This resulted in a steep increase in the price of cotton, consequently to this the price of yarn also recorded unprecedented increases. Though few short term measures have been taken by the Government to control this steep increase, it has yet to bring about desired.

EXPANSION AND DIVERSIFICATION

As you are aware, the entire process activity (except knitting) starting from cotton to finished fabric is carried on by the Company. To meet the requirement of the knitting of fabric the Company had to depend on third party knitters for knitting of yarn. Many of the knitters were small timers with less than 5 machines and this coupled with power situation in Tamil Nadu was resulting in a higher increase in processing time. To resolve this issue, the Company has put up a knitting unit in Daman with about 46 machines to cater to the requirement of Umbergaon processing unit which were receiving fabric from Thingalur in Tamil Nadu. The Unit which has the advantage of lower power cost will help to cut the processing time when fully operational.

FIXED DEPOSIT

Your Company did not accept, any fixed deposits, from public during the year.

DIRECTORS

Dr.Arvind Kulkarni, Director of the Company, retire by rotation and being eligible, offers himself for re-appointment.

Mr.Gopal Sehjpal, Director of the Company, retire by rotation and being eligible, offers himself for re-appointment.

M/s Attar & Company, Chartered Accountants, holds office as auditors of the Company until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

PERSONNEL

The relations with employees continued to be cordial throughout the year. Various initiatives in training program which included in-house as well as external trainings were carried out to enhance managerial and technical skills. Your Directors placed on record the appreciation, efforts and dedication of the employees in supporting the various initiatives of the Company.

Information Pursuant to Section 217 of the Companies Act, 1956.

Energy conservation, Technology absorption, Foreign Exchange Earnings & Outgo.

The information required to be disclosed under Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, with respect to conservation of energy, technology absorption, foreign exchange earnings / outgo, are set out in the Annexure-A to this report.

Particulars of Employees:

The Information required to be disclosed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 are set out in the Annexure-B to this report.

DIRECTORS' RESPONSIBILITY

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2002, the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- Appropriate accounting principles have been selected and applied consistently, and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profits of the Company for the period ended on 31st March, 2010.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on going concern basis.

CORPORATE GOVERNANCE

The Company is committed to maintain highest standards of Corporate Governance. The Securities and Exchange Board of India (SEBI) has introduced a code of Corporate Governance for listed companies which are implemented through the Listing Agreement with the Stock Exchanges, in which the Company's shares are listed. A separate report on Corporate Governance form a part of the Annual Report.

ACKNOWLEDGMENT

The Directors of your Company acknowledge with deep sense of appreciation the encouragement, support and co-operation received by the Company from its Bankers, Bombay Stock Exchange Limited, National Stock Exchange of India Limited, shareholders, suppliers and esteemed customers of the Company.

CAUTIONARY STATEMENT

Statement made in the Annual Report including those stated under the caption "Management Discussion and Analysis" describing the Company's plan, projections and expectations may constitute "forward looking statement" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

Place : Mumbai
Date : 28th May, 2010

For and on behalf of the Board

Registered Office :
C-6, Road No. 22,
MIDC, Andheri (East),
Mumbai - 400093.

Jaykumar K. Pathare
(Chairman)

ANNEXURE TO DIRECTORS REPORT**ANNEXURE-A****INFORMATION PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988.****A) CONSERVATION OF ENERGY**

- The products manufactured and sold by the Company, other than yarn are not power intensive, hence the impact on overall cost is marginal. However, steps have been taken to ensure energy conservation in the processing unit where an energy efficient boiler is installed and condensate is being re-utilised.
- Additional investments and proposals for reduction of energy consumption: NIL
- Total energy consumption and energy consumption per unit of production as per FORM A of the Annexure in respect of Industries specified in scheme thereto:

Year	Units Consumed		Units Consumed per kg. of Production	
	Spinning	Hosiery	Spinning	Hosiery
Current year	84.36 lakhs	29.47 lakhs	4.16	0.11
Previous year	76.93 lakhs	22.72 lakhs	4.32	0.43

B) TECHNOLOGY ABSORPTION

Efforts are made in technology absorption as per Form B: Not applicable.

C) FOREIGN EXCHANGE EARNINGS AND OUTGOING

The Company has earned Rs. 1295.56 lakhs (Previous year Rs. 1405.33 lakhs) from Exports during the year. The total amount of outgo on account of foreign exchange utilised by the Company amounted to Rs. 211.25 lakhs (Previous year Rs. 447.66 lakhs) mainly on account of import of raw materials, stores and spares, Capital Goods, foreign travel, commission on export sales and promotion.

ANNEXURE - B

Information under section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules, 1975 and forming part of the Directors Report for the year ended on 31st March, 2010.

- A) Employed throughout the financial year under review and in receipt of remuneration for the financial year in aggregate of not less than Rs. 24.00 lacs p.a.
- B) Employed for part of the financial year under review and were in receipt of remuneration for the financial year in aggregate of not less than Rs. 2.00 lacs per month.

1.	Name	Jaykumar K. Pathare	Sunil J. Pathare	Kapil J. Pathare
2.	Age	74 Years	39 Years	31 Years
3.	Qualification	Electrical Engineering	B. Com	B.Com, MBA
4.	Designation	Chairman & Whole time Director	Vice- Chairman & Managing Director	Whole time Director
5.	Date of commencement of employment	14.01.1991	17.07.2008	01.07.2003
6.	Experience	42 Years	19 Years	6 Years
7.	Remuneration (Rupees in Lakhs)	44.98	42.98	24.22
8.	Particulars of last employment			
a)	Employer	Business	Business	Business
b)	Last post			
c)	No. of Years			

1.	Name	Satish B.Samant
2.	Age.	58 years
3.	Qualification	B.com, C.A., LLM
4.	Designation	President
5.	Date of commencement of employment	14.01.1991
6.	Experience	34 years
7.	Remuneration (Rupees in Lakhs)	28.77
8.	Particulars of last employment	
a)	Employer	a) Reliance Ind. Ltd
b)	Last post	b) Executive of special Assignment
c)	No. of Years	c) Three Years

CORPORATE GOVERNANCE

Maxwell Industries Ltd. is committed to corporate transparency and lays emphasis on business ethics in all its dealings. The Company believes in meeting its obligations to all its stakeholders, including amongst others, shareholders, customers, employees and the community in which the Company operates.

Corporate Governance is a process that aims to meet shareholders aspirations and social expectations. It's not a discipline imposed by a regulator, rather a culture that guides the Board, management and employees to function towards best interest of stakeholders.

The Board of Directors has been constituted in compliance with the Companies Act, 1956 and the Listing agreement with the stock exchanges. The Board functions either as a full Board or through its committees. The Company's executive provides the Board with reports on the performance.

Your Directors are happy to inform you, that your Company's existing practices and policies are in conformity, with the requirements stipulated by Stock Exchanges and SEBI and have gone well beyond the simple statutory compliances by instituting such systems and procedures, as are required, to make the management completely transparent and institutionally sound.

Board of Directors

The Board of Directors along with its committee, provides direction and vision on the functioning of the Company.

- (A) Constitution of Board : The Board of Directors comprises of 8 members out of them three are Executive Directors and five Non - executive Independent Directors. The Managing Director & Whole time Directors are being paid remuneration while the other Directors are paid sitting fees for attending a Board Meeting as fixed by the Board.
- (B) Composition of Board and number of meetings attended : The gap between 2 Board Meeting does not exceed more than 4 months. Leave of absence is granted as and when requested. All Directors have made necessary disclosures regarding their respective committee positions. The Board met Six times during the last financial year, on 19.05.09, 30.06.09, 28.07.09, 20.08.09, 30.10.09 and 29.01.10. The last AGM was held on 20th August, 2009.

COMPOSITION OF BOARD AND ATTENDANCE RECORD

Name of Director	Category	No. of other directorships/ Board Committees	No. of Board Meetings attended	Attendance at the last AGM held on August 20, 2009
Shri. Jaykumar K Pathare	Chairman, Promoter	4	6	Yes
Shri. Sunil J Pathare	Vice Chairman & Managing Director, Promoter	5	6	Yes
Shri . Kapil J Pathare	Whole time Director, Promoter	2	6	Yes
Shri. R. Anand *	Independent Director	6	0	Yes
Dr. Arvind Kulkarni	Independent Director	0	6	Yes
Shri Durgesh Chandra**	Independent Director	0	0	No
Shri Gopal Sehgal	Independent Director	1	6	Yes
Shri Chetan Sheth	Independent Director	2	6	Yes
Shri Robin Banerjee	Independent Director	0	2	No
Shri Manish Chhajer +	Independent Director	12	5	No

* Shri R.Anand, Director retired at last AGM held on 20.08.2009

** Shri Durgesh Chandra, Director retired at last AGM held on 20.08.2009

+ Shri Manish Chhajer representative of M/s.Reliance Capital Partners

REMUNERATION OF DIRECTORS
(Figures in Lakhs)

Director	Relationship with other Director/s	Business Relationship with the company	Sitting Fees	Salary/ Perquisites	Commission	Total
Shri. Jaykumar K Pathare Chairman & Whole time Director	Father of Shri. Sunil J. Pathare & Shri. Kapil J. Pathare	Promoter	N.A.	39.00	5.98	44.98
Shri. Sunil J Pathare V.C- Managing Director	Son of Shri.Jaykumar K Pathare	Promoter	N.A.	37.00	5.98	42.98
Shri. Kapil J Pathare Whole time Director	Son of Shri.Jaykumar K Pathare	Promoter	N.A.	24.22	N.A.	24.22
Shri. R. Anand *	None	None	Nil	N.A.	N.A.	Nil
Dr. Arvind Kulkarni Director	None	None	0.15	N.A	N.A	0.15
Shri. Durgesh Chandra **	None	None	0.00	N.A.	N.A.	0.00
Shri. Gopal Sehjpal Director	None	None	0.15	N.A.	N.A.	0.15
Shri. Chetan Sheth Director	None	None	0.15	N.A.	N.A.	0.15
Shri. Robin Banerjee Director	None	None	0.05	N.A.	N.A.	0.05
Shri. Manish Chhajer #	None	None	0.125	N.A.	N.A.	0.125

* Shri R.Anand, Director retired at last AGM held on 20.08.2009

** Shri Durgesh Chandra, Director retired at last AGM held on 20.08.2009

sitting fees paid to Reliance Capital Partners

Audit Committee

- A) Constitution of Audit Committee :- The Audit Committee comprises of four members, out of them, three are non-executive Independent Directors and one Executive Director.
- B) Composition of Audit Committee and number of meetings attended: During the financial year Audit Committee met five times on 19.05.2009, 30.06.2009, 28.07.2009, 31.10.2009 and 29.01.2010. The composition of Audit Committee and the number of Meetings attended were as under:

Name	Designation	Status	No. of committee meeting attended
Shri. Gopal Sehjpal	Chairman	Independent Director	4
Dr. Arvind Kulkarni	Member	Independent Director	5
Shri. Chetan Sheth	Member	Independent Director	5
Shri. Sunil. J. Pathare	Member	Promoter Director	5

The terms of reference of the Committee are as per the guidelines set out in Clause 49 of the listing agreement with the Stock Exchanges and Section 292A of the Companies Act, 1956 and inter alia briefly includes the following:

- To review compliances with internal control systems;
- To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems and observations if any.
- To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- To make recommendations to the Board on any matter relating to the financial management of the Company;
- Recommending to the Board, the appointment, re-appointment and if required the replacement and removal of Statutory Auditors and fixation of Audit fees.