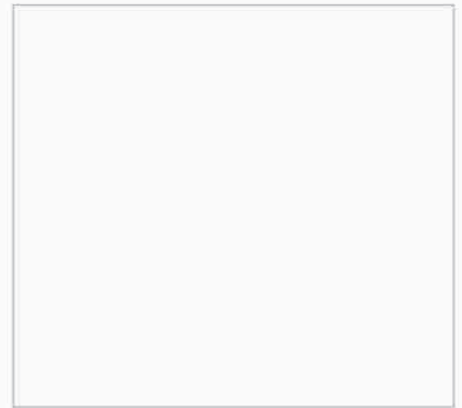
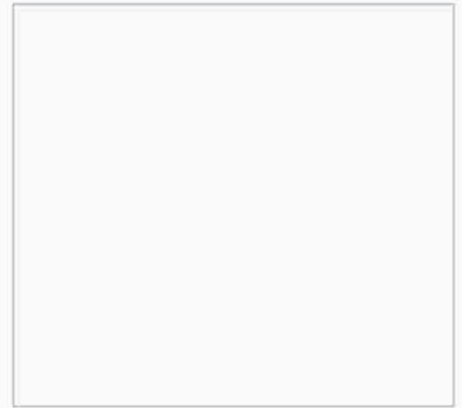
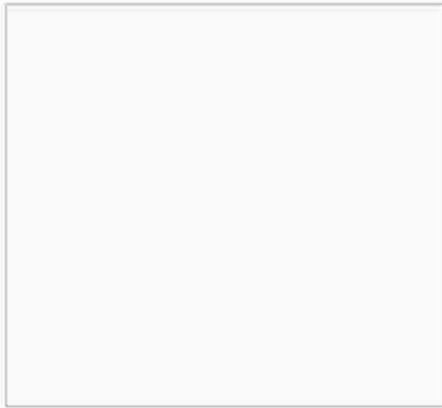



Maxwell Industries Ltd.

Annual Report
2013 - 2014



Frenchié^{vip}

Feelings

Numero Felice d'aspirazione depuis 1988
Eminence

LEADER

iInners
The Innerwear Studio



inners
the innerwear studio

Inners – the innerwear studio by Maxwell Industries Ltd., showcases brands like VIP, Frenchie, Feelings, Eminence and Brat. The company has already opened 7 stores in 3 cities and intends to open many more stores across the country. It's a step towards creating new, unique and holistic product experience for consumers at the retail level in this category.

The store offers a complete range of product for the family.



& many more to come...



More than 40 years ago the brand name was coined keeping the common man in sight. The idea then and now is to make him feel privileged. Over the time VIP has graduated and has gained several descriptors. Today it additionally stands for quality, Value for money and innovation. VIP, one of the pioneers in the category, has handled the subject with tact and élan and has developed an intimate relationship with the consumer.

The continuous endeavour to provide the consumer the best has given the brand '**Super Brand**' Status in this category. Today the brand touches millions of consumers across the country and abroad with its wide range of product offering. The brand offerings are

Adult

- Innerwear
- Loungewear
- Thermal wear
- Socks
- Handkerchief

Kids

- Innerwear
- Thermal Wear
- Socks



 www.facebook.com/VIP.Innerwear

 www.twitter.com/VIP_Innerwear



Savoir-faire d'exception depuis 1944

Eminence

FRANCE

Outstanding expertise since 1944

Eminence inherits rich legacy of quality, style, comfort, modern fabric and exceptional craftsmanship from Eminence SA, France. Eminence France has already gained accolades with international press labeling its product generation using modal and microfiber meryl as "softwear".

Our collection has carried forward this legacy and Eminence has made rapid strides in India in a short span of 4 years performing robustly with continuous expansion and innovation in product portfolio and addition of new channels of distribution. The brand has seen a heartwarming response in Modern trade channels of E-commerce platform (shopping websites) and Exclusive Brand outlet "Inners". This year the brand has increased its product range by addition of new products with innovative design and colors in men's briefs, trunks and vest.

Continuing its market expansion spree, Eminence in FY 2014-15 added northern India markets to make its presence PAN India, added prominent key accounts to E-commerce platform. The brand launched new products in FY 2014-15 in men's briefs and trunks in neon color range having stylish outer elastic band with a fashion quotient of French heritage. This trendy briefs and trunks will strike a chord with young Indian men.

As a part of continuous product expansion the brand will increase its men's product portfolio with the expected launch of Men's lounge wear (track pants, Bermudas, Jamaican (Capri pants) and tees) to cater to men's leisure wear market. It also expects to launch women's inner wear products with panties (hipsters, Bikni's and Boy legs) in FY 2014-15. Eminence with product and market expansion strategy coupled with international brand heritage will look forward to deliver and maintain its robust journey.

Products Portfolio:

Brief	Trunk
Vest	Tee
Boxer Shorts	Gym. Vest
Socks	

www.twitter.com/Eminence_India

www.facebook.com/Eminence.India

Corporate Information

Board of Directors

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

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
CIN : L18101MH1991PLC059804

C.F.O. & C.O.O.

R. Venkataraman

D.G.M. Finance &
Company Secretary

Ashish Mandaliya

Auditors

Attar & Company
Chartered Accountants

Internal Auditors

Sharp & Tannan Associates
Chartered Accountants

Bankers

State Bank of India
IDBI Bank Limited
HDFC Bank Limited
Kotak Mahindra Bank Limited

Plant Location

Knitting Unit	: 360/13, Ganesh Industrial Estate, Village Kachigam, Nani Daman, Daman - 396210
Processing House	: 13-15, SIPCOT, Perundurur, 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

Registrar & 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 25946970
Fax : + 91 22 25946969
Email : rnt.helpdesk@linkintime.co.in

Contents

Corporate Information	..... 1
Notice	..... 2
Directors' Report	..... 11
Corporate Governance	..... 14
Management Discussion & Analysis	..... 22
Auditors' Report	..... 23
Balance Sheet	..... 26
Statement of Profit & Loss	..... 27
Cash Flow Statement	..... 28
Notes to the Financial Statements	..... 30
Financial Highlights	..... 43
Proxy Form and Attendance Slip	

24th ANNUAL GENERAL MEETING

Day	: Thursday
Date	: 25 th September, 2014
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 24th Annual General Meeting of the Members of Maxwell Industries Limited will be held on Thursday, 25th day of September, 2014 at 11.00 a.m. at “**The All India Plastic Manufacturers' Association Auditorium**”, Plot No.A-52, Road No.1, MIDC, Marol, Andheri (East), Mumbai - 400 093 to transact the following business;

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at and the Statement of Profit and Loss for the financial year ended on 31st March 2014, 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 auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendations of the audit committee of the Company M/s. Attar & Co., (Registration No.112600W) Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at such remunerations fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

5. Appointment of Mr. Robin Banerjee as Independent Director

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Robin Banerjee (DIN : 00008893), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years for a term up to 31st March, 2019.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

6. Appointment of Mr. Gopal Sehgal as Independent Director

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Gopal Sehgal (DIN : 00175975), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years for a term up to 31st March, 2019.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

7. Appointment of Mr. Chetan Sheth as Independent Director

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Chetan Sheth (DIN : 00202723), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment and in respect of whom the Company has received a notice

in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years for a term up to 31st March, 2019.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

8. **Appointment of Mr. Arvind Kulkarni as Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Arvind Kulkarni (DIN : 01603917), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years for a term up to 31st March, 2019.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

9. **Mr. Sunil J. Pathare – change in residual term to retiring by rotation**

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

“**RESOLVED THAT** further to the resolution passed by the shareholders at the 23rd Annual General Meeting held on 14th August, 2013, approving the re-appointment of Mr. Sunil J. Pathare (DIN: 00192182) as a Vice Chairman & Managing Director of the Company for a period of three year as commencing from 1st April, 2013 to 31st March, 2016, not liable to retire by rotation, and pursuant to the provisions of Section 152(6) and other applicable provisions, if any, of Companies Act, 2013, and the Rules prescribed thereunder, it is hereby approved that during the residual term of his office Mr. Sunil J. Pathare shall be liable to retire by rotation.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

10. **Mr. Kapil J. Pathare – change in residual term to retiring by rotation**

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

“**RESOLVED THAT** further to the resolution passed by the shareholders at the 23rd Annual General Meeting held on 14th August, 2013, approving the re-appointment of Mr. Kapil J. Pathare (DIN : 01089517) as a Whole-time Director of the Company for a period of three year as commencing from 1st April, 2013 to 31st March, 2016, not liable to retire by rotation, and pursuant to the provisions of Section 152(6) and other applicable provisions, if any, of Companies Act, 2013, and the Rules prescribed there under, it is hereby approved that during the residual term of his office Mr. Kapil J. Pathare shall be liable to retire by rotation.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

11. **Re-appointment of Mr. Jaykumar Pathare as a Whole-time Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the Company hereby approves the re-appointment of Shri. Jaykumar K. Pathare (DIN : 00203211) as a Chairman & Whole-time Director of the Company for the further period of 3 (Three) years w.e.f. 1st October, 2014 to 30th September, 2017, liable to retire by rotation, and approve payment of remuneration to him on the terms and conditions as set out in the explanatory statement annexed hereto, as a minimum remuneration, in case the Company, has in any financial year no profit or if its profits are inadequate with the liberty to the Board of Directors including any Committee thereof (the “Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to revise, amend, alter and vary the terms and conditions of his remuneration, in such manner, as may be permitted in accordance with the provisions of Schedule V to the Companies Act, 2013, and as may be agreed to by and between the Board and Mr. Jaykumar K. Pathare.

RESOLVED FURTHER THAT the Board or any Committee thereof be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered desirable or expedient to give effect to this resolution.”

12. Borrowing / Financial Assistance

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 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) ('Act') and the applicable rules made thereunder, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall include its Committee(s) constituted / to be constituted for the purpose) to borrow any sum, or sums of monies and/or to receive/avail of financial assistance or to undertake financial obligation in any form, from time to time, from any one or more of the Financial Institutions, Banks, Funds and/or from any one or more other persons, firms, bodies corporate, mutual funds or entities, whether by way of loans, advances, deposits or bills discounting, issues of debentures, bonds, financial arrangement or obligations or otherwise and whether unsecured or secured by mortgage, charge, hypothecation, lien or pledge of the Company's assets and properties, whether immovable or movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) or work-in-progress and all or any of the undertakings of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company may exceed the paid-up share capital of the Company and its free reserves provided that the total amounts so borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and outstanding at any point of time shall not exceed ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only) over and above the aggregate of the paid-up share capital of the Company and its free reserves as prevailing from time to time, exclusive of interest and other charges, and the Board be and is hereby authorised to execute/cause to execute such agreement, debenture trust deeds, indentures of mortgage, deeds of hypothecation/charge, lien, promissory notes and other deeds and instruments or writings containing such conditions and covenants and to do/ cause to do all acts, deeds, matters and things in this regards as the Board may think fit and proper.”

“RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

13. Creation of charge for Borrowings / Financial Assistance availed

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

“RESOLVED THAT consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board', which term shall include its Committee(s) constituted for the purpose) to create mortgages/charges on all or any of the movable and/or immovable properties and assets, both present and future, or on the whole or substantially the whole of the undertaking or undertakings of the Company, exclusively or ranking pari-passu with or second or subservient or subordinate to the mortgages/charges, if any, already created or to be created in future by the Company, for securing any loans and/or advances and/or guarantees and/or any financial assistance or obligations obtained/undertaken/made by the Company and/or any one or more of its subsidiary / group companies, both present and that which may be established or acquired by the Company in future, in India or abroad, with power to take over the management, business and undertaking of the Company in certain events of default, on such terms and conditions and at such things and in such form and manner as the Board may deem fit, so that the total outstanding amount at any time so secured shall not exceed the amounts consented by the Company by the Resolution passed at this meeting pursuant to Section 180(1)(c) of the Companies Act, 2013 or upto the higher amount/s as may be so consented by the Company from time to time in future, together with interest thereon, and further interest, costs, charges, expenses, remuneration and other monies payable in connection therewith AND THAT this consent shall also be the consent of the members under and as contemplated by Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable rules made thereunder;

RESOLVED FURTHER THAT the Board be and is hereby authorized to and cause to prepare, finalise, approve and execute on behalf of the Company, all documents, deeds, agreements, declarations, undertakings and writings as may be necessary and/or expedient for giving effect to the foregoing and to vary and/or alter the terms and conditions of the security created/to be created as it may deem fit and generally to do and/or cause to do all acts, deeds, matters and things as may be necessary, proper expedient or incidental for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

By order of the Board of Directors
For **Maxwell Industries Limited**

Place: Mumbai
Date: 23rd July, 2014

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

Ashish Mandaliya
DGM – 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 18th September, 2014 to 25th September, 2014 (both days inclusive).
4. The Company will be transferring the final and interim unclaimed dividend for the financial year ended on 31st March, 2007 on or before 28th January, 2015. The Members can claim the said dividend on or before 27th December, 2014. The Company has transferred the unclaimed dividend upto the financial year ended on 31st March, 2006 to the Investors Education and Protection Fund (IEPF) of the Central Government. The Members who have not claimed their dividend for the financial year 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13 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 Registrar and Share Transfer Agents, 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 at least 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 shares of ₹ 10/- each to 5 equity shares of ₹ 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 ₹ 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 ₹ 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 the Annual Report 2013-14.
9. Members are requested to note that in case of transfers, deletion of name of the deceased shareholder, transmission and transposition of names in respect of share held in physical form, the submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgment of request for these transaction, is now mandatory.
10. Section 72 of the Companies Act, 2013, provides for **Nomination** by the Shareholders of the Company in the prescribed forms which are available on the website of the Company "www.maxwell.in" shareholders requested to avail this facility.
11. Members are requested to bring their valid photo ID proof at the time of the meeting.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address with their respective DP IDs for receiving all communication including Annual Report, Notice, Circulars etc., from the Company electronically. Members holding share in electronic form are requested to register their email address / update the same with their respective depository participant.
13. **Voting through electronic means**

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and administration) Rule 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for voting electronically by members are as under:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the Electronic Voting Sequence Number – "EVSN" along with "COMPANY NAME" from the drop menu and click on "SUBMIT"
- (iv) Now Enter your user ID:
 - For CDSL: 16 digit beneficiary ID;
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - For Members holding shares in Physical Form: please enter Folio Number registered with the Company and then enter the Captcha Code as displayed on the screen.

Then Click on Login.

- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing password is to be used. In case you have forgotten your password then enter the user ID and Captcha Code as displayed on the screen and click on Forgot password and then enter the details as prompted by the system.
- (vi) Otherwise, if you are a first time user or if you are holding shares in Physical form, please follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

After entering these details appropriately, click on "SUBMIT" tab.

- (vii) Members holding shares in physical form will then directly reach EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the Company on which you choose to vote.
- (x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the resolution and option "NO" implies that you dissent to the Resolution.
- (xi) Click on the "Resolution File Link" if you wish to view the entire Resolution.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to change your vote subsequently.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) Institutional shareholders (i.e other than individual, HUF, NRI etc) are required to log on <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, PDF format in the system for the scrutinizor to verify the same.

Please note that:

1. The voting period begins on 18th September, 2014 at 10.00 a.m. and ends on 20th September, 2014 at 5.00 p.m. during this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date which is 15th August, 2014 may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the company as on this cut-off date. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 20th September, 2014.
2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQ's") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
3. Mr. Rakesh Sanghani, Practising Company Secretary (Membership No. CP 6302) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in employment of the Company and forward his report of the votes cast in favour or against, to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
5. The Result shall be declared on or after the Annual General Meeting (AGM). The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.maxwell.in and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 5 to 8

Appointment of Independent Directors

Section 149 of the Companies Act, 2013 ('Act') requires all listed public companies to have at least one-third of the total number of directors as Independent Directors. Your Company complies with this requirement.

Sub-Section (10) of Section 149 of the Act further provides that Independent Directors are required to hold office for a term up to five consecutive years on the Board of a company and can be re-appointed thereafter subject to the limits under sub-section (11) of Section 149 of the Act, which provide that they shall not hold office for more than two consecutive terms.

The amended clause 49 of the Listing Agreement with the Stock Exchange also stipulates similar conditions with regard to initial tenure for appointment of Independent Directors for a term up to five consecutive years.

Further, in terms of sub-section (13) of section 149 read with Explanation to sub-section (6) of section 152 of the Act, Independent Directors are not liable to retire by rotation.

The following Directors on the Board of your Company qualify as Independent Directors under section 149 of the Act and clause 49 of the Listing Agreement:

1. Mr. Robin Banerjee
2. Mr. Gopal Sehjpal
3. Mr. Chetan Sheth
4. Mr. Arvind Kulkarni

These Directors were duly appointed under the Companies Act, 1956 as Directors liable to retire by rotation. In order to give effect to the aforesaid provisions of the Act, it is proposed that these Directors be appointed as Independent Directors under section 149 of the Act read with the amended clause 49 of the Listing Agreement, to hold office for five consecutive years, for a term up to 31st March, 2019.

None of the aforesaid named Directors are disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as Directors.

The Company has received declaration from all the above Directors that they meet with the criteria of Independence as prescribed both under sub-section (6) of section 149 of the Act and under clause 49 of the Listing Agreement.

In the opinion of the Board, they fulfill the conditions for their appointment as Independent Directors as specified in the Act and the Listing Agreement. They are Independent of the Management.

Brief resumes of these Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorship and Memberships/Chairmanships of Board or Committees, Shareholding and Relationship between Directors inter-se stipulated under Clause 49 of the Listing Agreement with Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view their expertise and knowledge, it will be in the interest of the Company that these Directors are appointed as Independent Directors.

Copy of the draft letter for appointment of these Directors as Independent Directors setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Except for the respective Directors/their relatives who may be deemed to be interested in the respective resolution at item nos. 5 to 8 of the Notice as it concern their appointment as Independent Directors, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the respective resolutions set out at Item Nos.5 to 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item Nos. 5 to 8 of the Notice for approval by the shareholders.

Maxwell Industries Ltd.

Item No. 9 to 10

Change in residual term of Mr. Sunil J. Pathare and Mr. Kapil J. Pathare, to Directors retire by rotation

Mr. Sunil J. Pathare was appointed as Vice Chairman & Managing Director and Mr. Kapil J. Pathare as Whole-time Director of the Company, which were dully approved by the Shareholders, as per detailed mentioned below:

Name	Designation	Tenure	Date of Shareholders approvals
Mr. Sunil J. Pathare	Vice Chairman & Managing Directors	Three years w.e.f 1 st April, 2013	At the 23 rd Annual General Meeting held on 14 th August, 2013
Mr. Kapil J. Pathare	Whole time Director	Three years w.e.f 1 st April, 2013	At the 23 rd Annual General Meeting held on 14 th August, 2013

Both Mr. Sunil J. Pathare and Mr. Kapil J. Pathare were appointed as Directors not liable to retire by rotation, during their respective tenures.

In terms of the explanation to sub-section (6) of Section 152 of the Companies Act, 2013 for the purpose of computing the number of Director liable to retire by rotation, Independent Directors are not be consider for liable to retire by rotation. Your Board has a strength of 7 Directors of which, 4 are Independent directors, and 3 are Executive Directors, now only 3 Executive Directors are to be considered for Directors liable to retire by rotation and hence, out of the 3 Executive Directors, 2 (i.e 2/3rd) are to retire by rotation.

It proposed to change the residual terms of office of Mr. Sunil J.Pathare and Mr.Kapil J. Pathare from directors not liable to retire by rotation to directors liable to retire by rotation, which will be in compliance with the aforesaid regulatory requirement.

Except Mr. Sunil J. Pathare and Mr. Kapil J. Pathare and their relative (Including Mr. Jaykumar Pathare), none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned and interested, financially or otherwise in the resolutions set out at item nos.9 and 10.

The Board recommends the Ordinary Resolution set out at Item Nos. 9 and 10 of the Notice for approval by the shareholders.

Item No.11

The Board of Directors of the Company at its meeting held on 23rd July, 2014, subject to approval of the members of the Company has approved re-appointment of Mr. Jaykumar Pathare as a Whole-time Director of the Company for a period of 3 (Three) years w.e.f. 1st October, 2014 to 30th September, 2017.

The Members had approved the re-appointment Mr. Jaykumar Pathare as a Whole-time Director of the Company for a period of 3 (Three) years w.e.f. 1st October, 2011 on 14th May, 2012 by way of Postal Ballot. The terms of his re-appointment expires on 30th September, 2014. The Remuneration Committee & Board of Directors of the Company at their meeting held on 23rd July, 2014 approved the re-appointment of Mr. Jaykumar Pathare as a Whole-time Director of the Company for the further period of Three (3) years w.e.f.1st October, 2014.

The members approval required for re-appointment of Mr. Jaykumar Pathare as a Whole-time Director of the Company, for the further period of 3 (Three) years w.e.f. 1st October, 2014 to 30th September, 2017, under Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

The main terms and conditions of remuneration of Mr. Jaykumar Pathare are as under;

- 1) Salary: Rs. 3,00,000/- p.m.(w.e.f. 1st October, 2014)
- 2) Commission : Payable based on the subject to availability of profit and at the rate of not more than 0.5% of the net profit for the year, the Board of Directors will determine the commission payable within the overall ceiling laid down in Section 197 and Schedule V of the Companies Act, 2013 as may be applicable from time to time.
- 3) Perquisites: entitled to furnished accommodation or house rent allowances, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company maintained car, telephone and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income-Tax Rules, 1962 being restricted to ₹ 21,00,000/- (Rupees Twenty One Lakhs Only) per annum.
- 4) Company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

In the event of absence or inadequacy of profit in any financial year, the remuneration payable to him by way of salary and perquisites shall not exceed the maximum limits prescribed under schedule V of the Companies Act, 2013.

The statement as required under clauses 1(B) and 1(C) of Section II, Part II of the Schedule V of the Companies Act, 2013.

Disclosure Pursuant to sub-clause (iv) under the proviso to sub-paragraph (B) of paragraph 1 under Section II of Part II of Schedule V of the Companies Act, 2013:

I General Information

1.	Nature of Industry	:	Textile Hosiery Industries																					
2.	Date or expected date of commencement of commercial production	:	Existing Company already commenced from 1991																					
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Existing Company, Not Applicable																					
4.	Financial performance based on given indicators	:	<table border="1" style="width: 100%; text-align: right;"> <thead> <tr> <th colspan="3" style="text-align: right;">(₹ In Lacs)</th> </tr> <tr> <th></th> <th>2013-14</th> <th>2012-13</th> </tr> </thead> <tbody> <tr> <td>Total Income</td> <td>25,875</td> <td>25,490</td> </tr> <tr> <td>Expenses</td> <td>25,069</td> <td>25,051</td> </tr> <tr> <td>Profit</td> <td>806</td> <td>284</td> </tr> <tr> <td>EPS (₹)</td> <td>0.75</td> <td>0.34</td> </tr> <tr> <td>Total Assets</td> <td>24,386</td> <td>25,310</td> </tr> </tbody> </table>	(₹ In Lacs)				2013-14	2012-13	Total Income	25,875	25,490	Expenses	25,069	25,051	Profit	806	284	EPS (₹)	0.75	0.34	Total Assets	24,386	25,310
(₹ In Lacs)																								
	2013-14	2012-13																						
Total Income	25,875	25,490																						
Expenses	25,069	25,051																						
Profit	806	284																						
EPS (₹)	0.75	0.34																						
Total Assets	24,386	25,310																						
5.	Export performance and net foreign exchange collaborations	:	The exports on FOB basis for the year 2013-14 were ₹ 1808 Lacs and there is no foreign collaborations																					
6.	Foreign investments or collaborators, if any	:	Not Applicable: Company has not entered into foreign collaboration.																					

II Information about Mr. Jaykumar Pathare, Whole-Time Director :

1) Background Details :

Mr. Jaykumar Pathare having technical qualification in Electrical Engineering, he has worked with State Electricity Board. He was keenly interested in playing Cricket and he played the game at District Level to represent the College. He is the founder promoter of the Company. He is having more the 4 decade of experience in field of textile and hosiery industries.

2) Past remuneration:

For the Financial year 2013-14 Mr. Jaykumar Pathare's total remuneration was paid ₹ 48,68,000/-

3) Recognition or awards:

He is holding the position of Trustee in 1) Gokhale Education Society- Mumbai 2) Kalyan Education Society – Kalyan 3) Bramahanpad Education Society – Ulhasnagar 4) Shantigram Vachnalay – Ulhasnagar 5) Shantigarm Vidhya Mandir – Ulhasnagar and 6) Governing body member of Birla College.

He has been honoured by Yadnvalk Yuzurwed Bramahan Sabha, Sanket Gyanpeeth – Kalyan, Maharashtra Kala Niketan with “Maharashtra Gaurav Award”.

4) Job profile and his suitability:

Way back in the year 1970's Mr. Jaykumar Pathare a visionary, dynamic and friendly entrepreneur conceived and idea of developing innerwear business in India and built the same from scratches. The objectives, then and today are same, conquering Business leadership in the innerwear segment and sustain with the same forever by offering value added products and quality services to all customers. He is having about 49 years of experience in the fields of manufacturing hosiery products. The execution capabilities and developing the team with capabilities to handle transactions of various natures has been one of the strengths of Mr. Jaykumar Pathare. He is best suited for the job profile and has been a force to recon with.

5) Remuneration proposed :

The remuneration of Mr. Jaykumar Pathare is set out above.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (incase of expatriates the relevant details would be w.r.t. the country of his origin)

Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Mr. Jaykumar Pathare, the proposed remuneration is competitive with the remuneration paid by other Companies to such similar positions.

7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel if any;

Other than the remuneration as stated above, Mr. Jaykumar Pathare is the promoter of the Company and he is a father of Mr. Sunil J. Pathare and Mr. Kapil J. Pathare.

Maxwell Industries Ltd.

III Other Information

1) Reason of loss or inadequate profits

The Company shows the signs of recovery and improvising the profitability of the Company, but the margins of the Company is very much thin as compared to its volume of the business, the Company also faces the problem of high labour attrition at its Manufacturing unit which has the impact on production of the Company.

The Company earned Profit after tax of ₹ 533 Lacs (2013-14) as against Profit after tax of ₹ 285 Lacs (2012-13) in the previous financial year.

2) Steps taken or proposed to be taken for improvement

In order to stabilise the worker of the Company, the Company has initiated the process for accommodating the workers by providing the additional dormitory and also focus on improvising the output of the finished product by providing them training.

3) Expected increase in productivity and profits in measurable terms.

The above measure undertaken are expected to yield positive results in the year's to come, while it is difficult to give precise figure, the above initiatives are expected to improve the financial performance of the Company.

IV Disclosures

The remuneration details of Mr. Jaykumar Pathare, Whole-time Director is as given in the explanatory statement.

The terms and conditions of Mr. Jaykumar K. Pathare's remuneration as set out above may also be treated as an abstract of the terms between Mr. Jaykumar K. Pathare and the Company as per the Companies Act.

Your Directors recommended the approval of the proposed resolution by the members through Postal Ballot process.

Mr. Jaykumar K. Pathare himself, Mr. Sunil J. Pathare and Mr. Kapil J. Pathare being his relatives are concerned or interested in the resolution and none of the other directors and Key Managerial Personnel of the Company and their relatives are concerned and interested, financially or otherwise in the resolution set out at item no. 11.

Item Nos. 12 to 13

Borrowings / Financial Assistance and creation of charge

The Member of the Company at the Extra ordinary general meeting held on 1st February, 2006, passed a Special Resolution under section 293(1)(d) of the Companies Act, 1956, grating their consent for availing borrowings over and above the aggregate of paid-up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time should not exceed ₹ 300,00,00,000/- (Rupees Three Hundred Crores Only) over and above the paid up share capital and free reserve of the Company prevailing from time to time.

The Board of Directors of the Company at it's meeting held on 23rd July, 2014 revised and approved the limits of borrowings from ₹ 300,00,00,000/- (Rupees Three Hundred Crores Only) to ₹ 200,00,00,000/- (Rupees Two Hundred Crores Only).

Section 180 (1)(c) of the Companies Act, 2013 ('Act') provides for consent to be sought from members by way of a Special Resolution. Hence the resolution at item 12 of the accompanying notice, which your Board recommend for your approval.

In order to secure the Borrowing/financial assistance referred to in the resolution at item no 13 of the accompanying notice, the Company may be required to create a security by way of mortgage/charge and/or hypothecation of its assets and properties both present and future. The term of such security may include a right in certain events of default, to take over management or control of the whole or substantially whole of the undertaking(s) of the Company. As per section 180(1)(a) of the Act, consent of the Company by Special Resolution is required to be obtained by the Board of Directors to sell, lease or otherwise dispose of the whole or substantially whole of the undertaking(s) of the Company. Since mortgaging or charging the movable and/or immovable properties and assets of the Company with the right of taking over management or control in certain events of default may be considered to be disposal of the Company's undertaking within the meaning of section 180(1)(a) of the Act, it is proposed to seek approval of the shareholders for creating such mortgages and/or charges of the assets and properties of the Company, both present and future. Hence the resolution at item no.13 of the accompanying Notice, which your Board recommends for your approval.

None of the Directors and Key Managerial Personnel of the Company nor their relatives is concerned or interested, financially or otherwise, in the resolution at item nos.12 and 13 of the accompanying Notice.

Place: Mumbai
Date: 23rd July, 2014

For **Maxwell Industries Limited**

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

Ashish Mandaliya
DGM Finance &
Company Secretary

Maxwell Industries Ltd.

DIRECTORS' REPORT

To,
THE MEMBERS
MAXWELL INDUSTRIES LTD.

The Directors of your Company are pleased to present, the 24th Annual Report, on the working and the progress of the Company, along with audited accounts, for the financial year ended on 31st March, 2014 and Report of the Auditors thereon.

FINANCIAL RESULTS

(₹ in Lakhs)

	Current Year ended 31/03/2014	Previous Year ended 31/03/2013
Profit before Interest, Depreciation & Income Tax	2426.88	2170.45
Less : Interest	1269.86	1391.52
Less : Depreciation	351.05	340.42
Profit Before Tax	805.97	438.51
Less : Provision for income tax - Current	230.98	105.70
Less : Provision for income tax - Deferred	42.33	51.30
Add : Tax adjustment for previous year	0.00	3.00
Profits for the year	532.66	284.51

DIVIDEND

	Current Year ended 31/03/2014	Previous Year ended 31/03/2013
On 5% Redeemable Preference Shares	59.25	59.25
On Equity Shares	126.15	157.69

The Directors have recommended a dividend of 10% on Equity Shares i.e. ₹ 0.20 (Twenty) paise per Equity Share of ₹ 2/- each and 5% on Redeemable Preference Shares ₹ 5/- (Five) per Preference share of ₹ 100/- each for the financial year ended on 31st March, 2014. This Dividend of ₹185.40 Lakhs along with dividend distribution tax of ₹ 31.50 Lakhs will absorb ₹ 216.91 Lakhs.

OPERATIONS

During the year under review, the Company recorded a net turnover of ₹ 25,742 Lakhs as against ₹ 24,947 Lakhs in the previous year, registering an increase of 3.19%. The Company faced problems in optimizing the labour complement of operators at its factories. The impact of Government schemes, for rural employment, had some impact on the supply front. Apart from attrition and additional cost involved in training, this also had an impact on the production, thereby effecting supplies. To address these issues, the company has drawn up plans, to augment its present capacity of dormitory workers, with the building up of an additional dormitory, for which suitable land is available inside the factory campus in Thingalur. Similar efforts, are also being contemplated at Umbergaon factory. By adopting such strategy, the company plans to overcome these issues.

The Net Profit Before Tax stood at ₹ 805.97 Lakhs as against ₹ 438.51 Lakhs in the previous year and Profit After Tax is stood at ₹ 532.66 Lakhs in the current year as against ₹ 284.51 Lakhs in the previous year.

FIXED DEPOSIT

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

SUBSIDIARY

Your Company does not have any subsidiary Company.

DIRECTORS

In terms of the Companies Act, 2013 ("Act") Independent Directors are required to be excluded while computing the number of Directors to retire by rotation. Accordingly it is proposed to change the terms of office of Mr. Sunil Pathare and Mr. Kapil Pathare from Director non-retiring to Director retiring by rotation.

Maxwell Industries Ltd.

As of the date of this report, Mr. Robin Banerjee, Mr. Gopal Sehgal, Mr. Chetan Sheth and Mr. Arvind Kulkarni are Independent Directors as per Clause 49 of the Listing Agreement and were appointed under the Companies Act, 1956 as Directors liable to retire by rotation. In order to give effect to the applicable provision of Section 149 and 150 of the new Companies Act, 2013, it is proposed that these Directors be appointed as Independent Director, to hold office for five consecutive years, for a term upto March 31st 2019.

The Company has received declaration from all the Independent Director of the Company confirming that they meet the criteria of Independence as prescribed under the applicable provision of Section 149 of the Act and under Clause 49 of the Listing Agreement with the Stock Exchange.

AUDITORS

M/s. Attar & Company, Chartered Accountants, holds office as auditors of the Company until the conclusion of the forthcoming Annual General Meeting and is eligible for re-appointment in accordance to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014. It is proposed to re-appoint them as Auditor of the company from the conclusion of this Annual General Meeting until the completion of the next Annual General Meeting of the Company.

COST AUDITORS

The Central Government vide its notification dated 3rd June, 2011 under the Companies (Cost Accounting Record) Rules, 2011 directed the Company to get the cost accounting record been audited by Practising Cost Auditor and submit the cost audit report with Ministry of Corporate Affairs.

The Company has appointed Mr. Sushil Kumar Agarwal of M/s. S.K. Agarwal & Associates, Practising Cost Accountants as a Cost Auditor of the Company, for the issue of Cost Audit Report for the financial year 2013-14.

The Company had submitted the Cost Audit Report for the financial year 2012-13 with the Ministry of Corporate Affairs.

However there has been no notification till date, covering the industry for the purpose of Cost Audit for the financial year 2014-15.

PERSONNEL

The Human asset is very vital to the Company and the Company regards its employees as its strength and accords high priority to training and development of employees. 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 earning & 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 to this report.

Particulars of Employees:

Pursuant to the amendment in Companies (particulars of employees) Rules, 2011 vide notification No. GSR 289(E) dated 31.03.2012 issued by Ministry of Corporate Affairs, none of the employee of the Company were in receipt of ₹ Sixty Lakhs per annum or ₹ Five Lakhs per Month during the year under review. Accordingly, no particulars of Employees are given pursuant to the provisions of Section 217(2A) of Companies Act, 1956.

DIRECTORS' RESPONSIBILITY

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 1956 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 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 as at 31st March, 2014 and of the profits of the Company for the period ended on 31st March, 2014.
- 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.

Maxwell Industries Ltd.

REDEMPTION OF 5% REDEEMABLE PREFERENCE SHARES

The Company had issued and allotted the 24,35,000, 5% Redeemable Preference Shares of ₹ 100/- each on 1st February, 2006, redeemable after 31st January 2016 with an option to the Company to redeem it at the end of the 8th, 9th and 10th Year, in three equal installment. The Company had bought back 12,50,050 5% Redeemable Preference Shares (6,20,600 shares in FY. 2010-11) and (6,29,450 shares in FY 2011-12).

As per the terms, the Company exercises its options to redeem its 5% Redeemable Preference Shares in three equal installments which is due from the end of 8th year. The Company will redeemed (along with the dividend) its 1st trench of 3,94,984 of 5% Redeemable Preference Shares of ₹ 100/- each on or before 31st July 2014.

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 viz. State Bank of India, IDBI Bank Limited, HDFC Bank Limited, Kotak Mahindra Bank Limited, BSE 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.

For and on behalf of the Board

Place: Mumbai
Date: 23rd July, 2014

J.K. Pathare
(Chairman)

Registered Office:
Plot No.C-6, Road No.22,
MIDC, Andheri (East)
Mumbai 400 093

ANNEXURE TO DIRECTORS REPORT

INFORMATION PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988.

A) CONSERVATION OF ENERGY

- 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 Ended 31st March, 2014	Year Ended 31st March, 2013
Units Consumed (in Lakhs)	29.44	28.85
Units Consumed per kg. of Production	0.73	0.61

B) TECHNOLOGY ABSORPTION

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

C) FOREIGN EXCHANGE EARNING AND OUTGOING

The Company has earned ₹ 1,808.34 lakhs (Previous year ₹ 1,748.76 lakhs) from exports during the year. The total amount of outgo on account of foreign exchange utilised by the Company amounted to ₹ 185.53 lakhs (Previous year ₹ 322.03 lakhs).

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, customers, employees and the community in which the Company operates.

Corporate Governance is a process that aims to meet stakeholder's 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 has gone well beyond simple statutory compliance, 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 7 (Seven) members out of them 3 (Three) are Executive Directors and 4 (Four) 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 Directors and Committee positions in other Company. The Board met Four times during the last financial year on 15.05.2013, 14.08.2013, 14.11.2013 and 14.02.2014. The last AGM was held on 14th August, 2013.

COMPOSITION OF BOARD AND ATTENDANCE RECORD:

Name	Category	Other Directorships		Membership of other Board Committees		No of Board Meetings attended	Attendance at the last AGM held on August 14, 2013
		As Member	As Chairman	As Member	As Chairman		
Mr. Jaykumar K. Pathare	Chairman, Whole-time Director, Promoter	4	-	-	-	4	Yes
Mr. Sunil J. Pathare	Vice Chairman & Managing Director, Promoter	5	-	-	-	4	Yes
Mr. Kapil J. Pathare	Whole-time Director, Promoter	5	-	-	-	4	Yes
Dr. Arvind Kulkarni	Independent Director	-	-	-	-	4	Yes
Mr. Gopal Sehjpal	Independent Director	1	-	1	2	2	Yes
Mr. Chetan Sheth	Independent Director	2	-	-	-	4	Yes
Mr. Robin Banerjee	Independent Director	1	-	-	-	3	No

Role of Non-Executive / Independent Directors

Non-Executive / Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. These Directors are committed to act in what they believe to be in the best interest of the Company and its stakeholders. These Directors are professionals, with expertise and experience in general corporate management, finance and other allied fields. This wide knowledge of their respective fields and expertise will help the Company immensely from their inputs in achieving its strategic direction. In order to leverage the experience of Non- Executive / Independent directors of the Company for the benefit of and for improved Corporate Governance and better reporting to the Board.

Shareholding of Non-Executive Directors:

None of the Non-Executive Directors hold any shareholding in the Company.

Details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting:

Directors to Retire by Rotation

It is proposed to change the residual terms of office of Mr. Sunil J. Pathare and Mr. Kapil J. Pathare from non-retiring directors to directors liable to retire by rotation.

Independent Directors

Following Directors were duly appointed under the Companies Act, 1956 as Directors liable to retire by rotation. In compliance with the requirements of Section 149 of the Companies Act, 2013, it is proposed that these Directors be appointed as Independent Directors under Section 149 of the Act read with the amended Clause 49 of the Listing Agreement, to hold office for five consecutive years, for a term up to March 31, 2019:

1. Mr. Robin Banerjee
2. Mr. Gopal Sehjpal
3. Mr. Chetan Sheth
4. Dr. Arvind Kulkarni

The profile of each of these Directors are given below.

Mr. Robin Banerjee

Mr. Robin Banerjee, 59 is qualified as Chartered Accountant, Cost Accountant and Company Secretary having Associate Membership of the respective Institutes in India. He has over 33 years of professional experience in finance and Corporate Management, including strategic planning, mergers & acquisitions, corporate finance and strategic business development. Mr. Robin Banerjee does not hold any equity shares of the Company. He is a Managing Director in Caprihans India Limited.

Mr. Gopal Sehjpal

Mr. Gopal Sehjpal, 70 is the Independent Director of the Company. He has a Bachelor's Degree in Arts (with Commerce and Economics) and a Master's Degree in Arts (Philosophy) from the University of Delhi. He also has a Diploma in Personnel Management from the University of Delhi. He worked at Kodak (India) for over 3 decades in the areas of sales, administration, branch management, human resources (as the head) and also as the head of a profit centre. He is currently working as a Management Consultant and trainer. He is also an Independent Director in Lovable Lingerie Limited, Chairman of Investor & Grievance Committee and Member of Audit and Remuneration Committee. He is fellow member of the Institute of Management Consultants of India, Life Member with the Bombay Management Association and Indian Institute of Quality Management and is an individual member with Consultancy Development Centre (Ministry of Science and Technology, GOI).

Mr. Chetan Sheth

Mr. Chetan Sheth, 51 is qualified as Production Engineer. He has over 26 years of professional experience in the manufacturing engineering and Corporate Management. Mr. Chetan Sheth does not hold any equity shares of the Company. He does not have any other pecuniary relationship directly or indirectly with the Company. He does not have any relationship with the managerial personnel of the Company. He does not hold any other directorships in any public limited companies or subsidiaries of public limited company in India.

Dr. Arvind Kulkarni

Dr. Arvind Kulkarni, 82 is qualified as paediatrician. He has over 50 years of professional experience. Dr. Arvind Kulkarni does not hold any equity shares of the Company. He does not have any other pecuniary relationship directly or indirectly with the Company. He does not have any relationship with the managerial personnel of the Company. He does not hold any other directorships in any public limited companies or subsidiaries of public limited company in India.

None of the above independent directors have any other pecuniary relationship directly or indirectly with the Company. He does not have any relationship with the managerial personnel of the Company.

Executive Director

Mr. Jaykumar Pathare

Mr. Jaykumar Pathare, 78 having technical qualification in Electrical Engineering and worked with State Electricity Board. He is the founder promoter of the Company and having more than 4 decade of experience in field of textile and hosiery industries. He holds the position of Trustee in 1) Gokhale Education Society- Mumbai 2) Kalyan Education Society – Kalyan 3) Bramahanpad Education Society – Ulhasnagar 4) Shantigram Vachnalay – Ulhasnagar 5) Shantigram Vidhya Mandir – Ulhasnagar and 6) Governing body member of Birla College. He has been honoured by Yadravalk Yuzurwed Bramahan Sabha, Sanket Gyanpeeth – Kalyan, Maharashtra Kala Niketan with "Maharashtra Gaurav Award". He does not any other directorship in any public Company or subsidiaries of public companies in India.

Remuneration of Directors:

(₹ in Lakhs)

Name of Director	Relationship with other Director/s	Business relationship with the company	Sitting Fees	Salary / Perquisites	Commission	Total
Mr. Jaykumar K. Pathare, Chairman, Whole-Time Director	Father of Mr. Sunil J. Pathare and Mr. Kapil J. Pathare	Promoter	N.A	43.84	4.84	48.68
Mr. Sunil J. Pathare, Vice Chairman & Managing Director	Son of Mr. J. K. Pathare Brother of Mr. Kapil J. Pathare	Promoter	N.A	43.84	4.84	48.68
Mr. Kapil J. Pathare, Whole-time Director	Son of Mr. J. K. Pathare Brother of Mr. Sunil J. Pathare	Promoter	N.A	32.54	N.A	32.54
Dr. Arvind Kulkarni, Director	None	None	0.100	N.A	N.A	0.100
Mr. Gopal Sehjpal	None	None	0.050	N.A	N.A	0.050
Mr. Chetan Sheth	None	None	0.100	N.A	N.A	0.100
Mr. Robin Banerjee	None	None	0.075	N.A	N.A	0.075

Maxwell Industries Ltd.

Audit Committee:

- A) Constitution of Audit Committee: The Audit Committee comprises of 4 (Four) Members out of them 3 (Three) are Non-executive Independent Directors and 1 (One) Executive Director.
- B) Composition of Audit Committee and number of meetings attended: During the financial year Audit Committee met 4 (Four) times on 15.05.2013, 14.08.2013, 14.11.2013 and 14.02.2014. The composition of Audit Committee and the number of meetings attended were as under:

Name of Members	Designation	Status	No. of Committee meeting attended
Mr. Gopal Sehjpal	Chairman	Independent Director	2
Dr. Arvind Kulkarni	Member	Independent Director	4
Mr. Chetan Sheth	Member	Independent Director	4
Mr. Sunil J. Pathare	Member	Promoter Director	4

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 177 of the Companies Act, 2013 (corresponding Section 292A of the Companies Act, 1956), and inter alia it briefly includes the following:

- To review compliance and internal control systems;
- To hold periodic discussions with the Statutory Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observation of the auditors 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 Internal and Statutory Auditors and fixation of their Audit fees.

Investors Grievance Committee:

As per the current requirement under Section 178(6) of the Companies Act, 2013 and proposed amendments to Clause 49 of the Listing Agreement which comes into effect from October 1, 2014, the name of the Committee has been changes to "Stakeholders Relationship Committee."

- A) Constitution of Investors Grievance Committee: The Investors Grievance Committee comprises of 4 (Four) members out of them 3 (Three) are Non-executive Independent Directors and 1 (One) Executive Director.
- B) Composition of Investors Grievance Committee and number of meetings attended: The Investor Grievance committee met 4 (Four) times during the last financial year on 15.05.2013, 14.08.2013, 14.11.2013 and 14.02.2014. The composition of Investors Grievance Committee and the number of meetings attended were as under:

Name of Members	Designation	Status	No. of Committee meeting attended
Dr. Arvind Kulkarni	Chairman	Independent Director	4
Mr. Gopal Sehjpal	Member	Independent Director	2
Mr. Chetan Sheth	Member	Independent Director	4
Mr. Sunil J. Pathare	Member	Promoter Director	4

The composition of this committee is in compliance with the requirement of Section 178 of the Companies Act, 2013, the existing Clause 49 of the Listing agreement as well as the proposed new Clause 49 of the Listing agreement.

The Company has appointed an agency viz. M/s. Link Intime India Pvt. Ltd. to attend the investors' grievances. The Company Secretary is the compliance officer for the purpose, who interacts with the agency on the said matter and acts as Secretary of the committee. The shares of the Company are listed on the BSE Limited and National Stock Exchange Limited and all the complaints received from the share holders were resolved within the reasonable time.

Terms of Reference

The Investors Grievance Committee reviews and ensures the existence of a proper system for timely solution of grievances of the security holders of the Company including compliant related to transfer of shares, non-receipt of annual report and non-receipt of dividend warrants. The terms of reference of the Committee have been aligned to the Companies Act, 2013.

Nomination & Remuneration Committee:

As per the current requirement under Section 178(5) of the Companies Act, 2013 and proposed amendments to Clause 49 of the Listing Agreement which comes into effect from October 1, 2014, the name of the Committee has been changes to "Nomination & Remuneration Committee."

- A) Constitution of Remuneration Committee: The Remuneration Committee comprises of 3 (Three) members, all are Non-executive Independent Directors.

Maxwell Industries Ltd.

- B) Composition of Remuneration Committee and number of meetings attended: The Remuneration Committee met 4 (Four) times during the last financial year on 15.05.2013, 14.08.2013, 14.11.2013 and 14.02.2014. The composition of Remuneration Committee and the number of meetings attended were as under:

Name	Designation	Status	No. of Committee meeting attended
Mr. Chetan Sheth	Chairman	Independent Director	4
Mr. Gopal Sehjpal	Member	Independent Director	2
Mr. Arvind Kulkarni	Member	Independent Director	4

The terms of reference of Remuneration Committee are as follows;

- To review and make recommendations on annual salaries, performance linked incentives, stock options, perquisites and other employment conditions for Executive Directors.
- To recommend induction of Directors/Executive Directors on the Board.
- To take into consideration remuneration practices followed by leading companies while determining the overall remuneration package. Non-executive Directors are paid remuneration by way of Sitting Fees. The payment of Commission is decided broadly on the basis of their respective contribution to the Company and overall performance of the Company.

Corporate Social Responsibility Committee:

As per the current requirement under Section 135 of the Companies Act, 2013 and proposed amendments to Clause 49 of the Listing Agreement, Company constituted a Corporate Social Responsibility Committee of the Board consisting of 4 (Four) Directors, out of which Mr.Chetan Sheth and Mr. Robin Banerjee Non-executive Independent Director and Mr. Sunil Pathare and Mr. Kapil Pathare Executive Director of the Company.

The terms of reference of Corporate Social Responsibility Committee are as follows;

- Formulate and recommend to the Board a CSR Policy, indicating therein the activities to be undertaken by the Company;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitor the CSR Policy of the Company from time to time;
- Implement and monitor approved CSR activities;
- Undertake such activities and carry out such functions as may be required under section 135 of the Companies Act, 2013 and the Rules prescribed thereunder.

General Body Meeting:

The last three General Body Meetings of the Company (all held at The All India Plastic Manufacturers Association, MIDC, Andheri East, Mumbai) details of which are as under:-

Financial Year	AGM	Date	Time	Special Resolution if passed
2012-2013	23 rd AGM	14 th August, 2013	11.00 a.m.	1. To Re-appointment Mr. Sunil J. Pathare as Vice Chairman and Managing Director for a period of three years upto 31.03.2016. 2. To Re-appointment Mr. Kapil J. Pathare as Whole-time Director for a period of three years upto 31.03.2016.
2011-2012	22 nd AGM	23 rd August, 2012	11.00 a.m.	No
2010-2011	21 st AGM	11 th August, 2011	11.00 a.m.	No

Postal Ballot:

No Special Resolution was required to be passed through postal ballot last year.

Disclosure:

- The Company's transaction with related parties, as per requirement of Accounting Standard 18, are disclosed elsewhere in this Annual Report.
- The Company has not entered into any other transactions of material nature with its promoters, Directors or the Management, their subsidiaries or relatives etc., which may have potential conflict with the interests of the Company at large.
- Secretarial Audit was carried out by a qualified Practising Company Secretary to reconcile the total admitted capital with National Securities Depositories Limited (NSDL) and Central Depositories Services Limited (CDSL) and the total issued and listed capital. The Secretarial Audit Report confirms that the total issued / paid up capital is an agreement with the total number of dematerialized shares held with NSDL and CDSL.

Maxwell Industries Ltd.

- 4) None of the Directors of the Company is disqualified as per provision of Section 274(1) (g) of the Companies Act, 1956 and Section 164(2) of sub-clause (a) or (b) of the new Companies Act, 2013.
- 5) The Company has not accepted any public deposits and no amount on account of public deposit was outstanding as on 31st March 2014.

Means of Communication

The Company communicates with the shareholders through its Annual Report, General Meetings and disclosure through web site. Information and latest updates and announcement regarding the Company can be accessed at Company's website www.maxwell.in

The quarterly results are published in English, Hindi and Marathi Newspapers. These results are submitted to the stock exchanges within the stipulated time. The quarterly results for the quarters of the last financial years was published in the below mentioned news papers on the following dates:

Quarterly Results (publishing dates)	Newspaper	
	Business Standard (English+ Hindi edition)	Sakal (Regional Language)
30 th June, 2013	15.08.2013	15.08.2013
30 th September, 2013	15.11.2013	15.11.2013
31 st December, 2013	15.02.2014	15.02.2014
31 st March, 2014	10.05.2014	10.05.2014

General Shareholders information

- A) Annual General Meeting is proposed to be held on 25th day, the Thursday of September, 2014 at 11.00 a.m. at **The All India Plastics Manufacturers Association, MIDC, Andheri (East), Mumbai-400093.**
- B) Financial Calendar : 1st April 2014 to 31st March, 2015
- Quarterly Results : Results for quarter ending 30th June, 2014- Second week of August 2014
Results for quarter ending 30th September, 2014-Second week of November, 2014
Results for quarter ending 31st December, 2014-Second week of February, 2015
Audited Results for year ended 31st March, 2015- May, 2015
- Annual Results : May 2015
- C) Book Closure : 18/09/2014 to 25/09/2014
(Both days inclusive)
- D) Dividend Payment : 30/09/2014
- E) Registered office of the Company : C-6, Road No. 22, MIDC,
Andheri (E), Mumbai – 400 093.
- F) Registrar & Transfer Agent : Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West)
Mumbai - 400 078
- G) Listing of Equity Share : The BSE Limited (BSE)
The National Stock Exchange of India Limited (NSE)
- H) Stock code : 532613 (BSE)
MAXWELL (NSE)
- I) ISIN : INE450G01024

Maxwell Industries Ltd.

J) Stock Market Data

Month	Bombay Stock Exchange			National Stock Exchange		
	High (in ₹)	Low (in ₹)	Volume (Nos.)	High (in ₹)	Low (in ₹)	Volume(Nos.)
April 2013	17.25	13.60	117070	17.00	12.65	133767
May 2013	17.85	13.02	246557	15.80	13.30	189317
June 2013	14.50	9.36	170858	14.00	9.20	217029
July 2013	15.60	9.00	300961	15.65	9.85	294921
August 2013	12.50	10.20	109413	12.50	10.05	165530
September 2013	15.48	11.76	143533	15.40	11.60	180549
October 2013	16.15	13.60	148991	16.15	13.25	211545
November 2013	19.35	13.10	467366	19.65	14.10	749218
December 2013	18.80	15.05	179375	16.95	14.75	334340
January 2014	18.25	13.65	362770	18.25	13.65	604997
February 2014	17.85	13.15	491860	17.70	13.20	729489
March 2014	16.95	14.00	153113	15.50	13.25	238179

Source: Website of Bombay Stock Exchange and National Stock Exchange Limited.

Distribution of Shareholders as on 31st March 2014.

Slab of no of Shareholding	No. of Share holders	% of Shareholders	Shares	% of Shares
1 – 500	7040	67.8489	1432300	2.2707
501 – 1000	1470	14.1673	1282719	2.0336
1001 – 2000	1013	9.7629	1675493	2.6563
2001 – 3000	228	2.1974	595822	0.9446
3001 – 4000	180	1.7348	652141	1.0339
4001 – 5000	117	1.1276	546065	0.8657
5001 – 10000	160	1.5420	1188741	1.8846
10001 – *****	168	1.6191	55703934	88.3107
Total		100.0000	63077215	100.0000

Share price performance in comparison to broad based indices – BSE Sensex and NSE Nifty

Share price performance relative to BSE Sensex based on the share price on 31st March, 2014

Period	% Change in		
	Maxwell Share Price	BSE Sensex	Maxwell Relative to Sensex
Year on year	6.01	18.85	-12.84
2 Years	-26.65	28.63	-55.28
3 Years	-14.77	15.12	-29.90
4 Years	-23.66	27.72	-51.38
5 Years	68.92	130.58	-61.67

Share price performance relative to Nifty based on the share price on 31st March, 2014

Period	% Change in		
	Maxwell Share Price	Nifty	Maxwell Relative to Nifty
Year on year	4.68	18.00	-13.30
2 Years	-29.02	26.60	-55.63
3 Years	-17.09	14.90	-32.01
4 Years	-25.77	27.70	-53.49

(Sources: compiled from data available on BSE & NSE website)

Shareholding pattern as on 31st March 2014

Category	No. of Share held	% to total
1. Indian Promoters & Person Acting in Concert	4,00,97,868	63.57
Sub-total	4,00,97,868	63.57
2.1 Mutual Funds & UTI	875	0.00
2.2 Banks, FIs, Insurance Companies	NIL	NIL
2.3 FIIs	2,12,973	0.34
Sub-total	2,13,848	0.34
3.1 Bodies Corporates	1,17,83,478	18.68
3.2 Indian Public	1,04,32,555	16.54
3.3 Trust	500	0.00
3.4 NRIs. / NRNs.	3,58,717	0.57
3.5 Clearing Members	1,90,249	0.30
Grand Total	6,30,77,215	100.00

Dematerialization of Shares:

About 96.97% of the shares of the Company have been dematerialized as on March 31, 2014. The Company has entered into an agreement with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) whereby shareholders can dematerialize their shares.

The equity shares of the Company are traded at BSE Limited and National Stock Exchange Limited.

Reconciliation of share capital audit report of the Company obtained from Practising Company Secretary has been submitted to Stock Exchange within stipulated time.

No. of shares held in dematerialized and physical mode.

	No. of Shares	% of total Shares issued
Holding in dematerialized form	6,11,63,930	96.97%
Holding in physical form	19,13,285	3.03%
Total	6,30,77,215	100.00%

The names and addresses of the Depositories are as under:

- | | |
|--|---|
| <p>1. National Securities Depository Ltd.
Trade World, 4th Floor
Kamala Mills Compound
Senapathi Bapat Marg, Lower Parel,
Mumbai - 400013</p> | <p>2. Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers
28th Floor, Dalal Street
Mumbai – 400023</p> |
|--|---|

Share Transfer System

Application for transfer of shares held in physical form is received at the office of the Registrar and Transfer Agents of the Company. Investors Grievance Committee approves valid transfers of shares and share certificates duly endorsed are dispatched within the prescribed time.

Shares held in dematerialized form are electronically traded in the Depository and the Registrars and Share Transfer Agents of the Company periodically receive from the depository the beneficiary holdings so as to enable them to update the records and to send all corporate communications, dividend warrants, etc.

Plant Locations of Maxwell Industries Ltd:

Factory Location	Activity
(i) 360/13, Ganesh Industrial Estate, Kanchgam, Nani Daman, Daman, 396 210	Knitting Unit
(ii) Plot no. 13-15, SIPCOT Industrial Growth Centre, Perundurai- Erode, Tamilnadu – 638 052.	Process House
(iii) C-119, TTC Industrial Area, MIDC, Pawane Village, Navi Mumbai - 400 703.	Process House
(iv) Plot No. 92/94, New GIDC, Umbergaon, Valsad, Gujarat - 396 171.	Stitching Unit
(v) S. F. No. 125, 126 & 127, Appachimarmadam, Thingalur, Erode – 638 055.	Stitching Unit

Maxwell Industries Ltd.

Investors Correspondence

Shareholders correspondence should be addressed to our Registrar & Transfer Agents at the following address:

M/s. Link Intime India Pvt Ltd. : C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai - 400 078.
Tel No. - 022 25963838 Fax No. - 022 25946969
Email: rnt.helpdesk@linkintime.co.in

In case of difficulty investors are advised to correspond with the Company Secretary at the Registered Office of the Company at the following address:

Maxwell Industries Ltd. : C-6, Road No. - 22, MIDC, Andheri (E), Mumbai - 400093
Tel No. - 022 28257624 Fax No. - 022 28371023
Email: investor.relations@viporg.com

ANNEXURE TO CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2014

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Jaykumar Pathare, Chairman of Maxwell Industries Limited ("the Company") hereby declare that, to the best of my information, all the Board Members and Senior Management personnel of the Company have affirmed their compliance and undertaken to continue to comply with the code of conduct laid down by the Board of Directors of the Company for the Board members and Senior Management.

For **Maxwell Industries Limited**

J. K. Pathare
Chairman

Date: 23rd July, 2014
Place : Mumbai

AUDITORS' CERTIFICATE

To The Members of
Maxwell Industries Limited

We have examined the compliances of conditions of Corporate Governance by Maxwell Industries Limited for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Attar & Co.
Chartered Accountants
Registration No 112600W

M. F. Attar
Proprietor
Membership No.: 034977
Place: Mumbai
Date: 23rd July, 2014

MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure and development

Market overview : The Year 2013-14 was a low year as far as industrial confidence and economy were concerned. The buoyancy in economy witnessed at the turn of the decade started to evaporate. The economy recorded a low GDP growth and Industrial Output showed a declining trend especially in the manufacturing sectors. The Depreciation in the value of Indian rupees, coupled with a high level of inflation and a persistent high interest rate affected the sentiments of business community and across the consumers at large.

The hawkish approach of the RBI to balance between a high level of deficit and to control the over riding inflation resulted in liquidity being squeezed. The challenge was to boost the economic growth and keeping a check on the inflation. The intention of pushing up reforms to galvanize the economy did not see much shape and with the impending year end election, did see the government maintain more of a status quo.

The financial year 2014-15 could be the year for the turnaround. After many years, the mandate from people towards a stable government has improved the optimism level with the expectation of a reforms push and a more open approach to FDI. It also expected, that with a better than anticipated monsoon situation, the economy will slowly start to revive. The Monetary policy of the RBI also seem to strengthen this view point. The year is expected to be good with the expectation of a gradual revival in the industrial output. The agricultural sector might see a drop in output but it is expected that the service sector will do well. The inflation is likely to ease gradually and improve wise the growth rate.

The Indian Textile apparel market has been growing at around 7% to 9% over the decade and Innerwear industry is expected to grow at the same level. The Innerwear industry in India is evolving on a constant basis with various new range and more categories and segmentation. However the growth in the women's segment will see substantial growth the base it self being very low. The Company plans to introduce new range and more categories of products in the women's innerwear segment, in order to cater to the market and increase its shares.

Financial review : Please refer Board Report for financial performance review.

Outlook and opportunity : The cotton commodity price moved in a narrow range during a greater part of the year. This resulted in an almost range bound movement in the Yarn price. The international offtake from large importers like China saw a slow down which did depress the prices to some extent. Proper clarity is till to emerge from the new Government in power.

The outlook for the industry looks to be quite appealing and challenging. The customers will be spoilt with options as the industry seems to be gearing with better option to the consumers in terms of range and quality. Our Company is also geared for the challenge. The year also saw the Company launch many new styles in the existing range to the market. The Company had begun to cater loungewear and Thermal wear category during the financial year, and on the production front moved towards outsourced fabric. With the creation of a Brand based SBU concept, the Company will be able to focus in a better way in the area of garmenting and thus be able to perform much better in the market space.

The Companies inner wear outlet "INNERS" began operation in a about 6 location and we should many more being added in near future.

Outlook on threat, risk and concern : Ours is a highly labour intensive industry and the labour situation continues to be a great source of challenge. Training and retention of skilled labour is a major activity for our factory administration. The Company is resorting to automation to address these issues where ever possible. The prices of some of consumption inputs like dyes and chemicals have also been experiencing high volatility. The market however, continues to be satisfactory despite the increase in competition. The processing unit at Perundurai in south like all other units in and around Tirupur is still under severe scrutiny from the Pollution Control Board, with the license to operate being renewed quarterly. The volatility of the Rupee V/s US Dollar continue to have an impact inputs including freight cost. Power situation in Tamilnadu improved during the year.

Internal Control system and Adequacy : The Company has procedures and process in place which keeps on reviewing the internal control procedure. These are general hygiene requirements to keep the organization healthy and geared to meet any unforeseen challenges. New operation keep on evolving and it is duty of the organization to keep the internal control in commensurate with the nature of the business. The Company has well documented procedures and policies to ensure that all its assets are protected and safeguarded. Using a concurrent appraisal evaluation system, policies and practices are reviewed so as to protect the Company from loss against unauthorized use, ensure constant wastage reduction, ensuring transparent, adequate and appropriate accounting records to ensure accuracies, reliability of all the accounting information.

Apart from this, the Company uses the service of an large internal audit firm which specializes in internal Audit and reports to the audit committee. The Report on the internal audit are directly placed before the Audit committee for their review. The internal auditor also reviews the procedures, practices, operation and reports on the adequacies of control to the Audit committee.

Human Resource Development : The Human Resource of the Company is characterized by its loyalty and long-term association of its employees which has been nurtured over a long periods of time. HRD on its part strives to attract best talent in the industry and retain them by improving quality and competitiveness through performance management system, training and other motivational tools.

In our industry which is highly dependent on manual labour, the Human Resource Development (HRD) plays a very important role both in honing the skills through training and development and in retention. This is continuous process with training serving as an interface in the assimilation of knowledge and skills. The Company recognizes man power as a vital chain in the smooth running as well as the Company's growth and hence lay emphasis in nurturing and strengthening the overall development of the Human Resources. As usual the Company had a very cordial year in industrial relations.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Maxwell Industries Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of **MAXWELL INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss and Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flow of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) In the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date.
- c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
 - e) on the basis of written representations received from the directors as on 31st March, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from the being appointed as a director in terms of clause (1) of Section 274 of the Act.

For Attar & Co.

Chartered Accountants
Firm Registration No.: 112600W

M.F.Attar

Membership No. : 034977
Place: Mumbai
Date: 9th May, 2014

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)

1. In respect of its fixed assets:
 - a. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b. As explained to us, a portion of the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - c. In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a. The Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to book records.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:

According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
5. In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, aggregating during the year to Rs. 5 lakhs or more, in respect of any party have been made at a price which are reasonable having regard to prevailing market price, at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
7. In our opinion, the company has an Internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not however made a detailed examination of the same with a view to determining whether they are accurate or complete.
9. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues as on 31st of March, 2014 for a period of more than six months from the date of becoming payable.

Forum where the dispute is pending	Name of the Statute	₹ In Lakhs	FY to which the amounts relate to
High Court of Mumbai	Income Tax Act	1157.49	1992-01
High Court of Chennai	Central Sales Tax	8.54	1999-00
High Court of Chennai	Central Sales Tax	195.46	2001-02
Deputy Commercial Tax Office – Tamil Nadu	Central Sales Tax	13.30	2001-02
Deputy Commercial Tax Office – Tamil Nadu	Tamil Nadu General Sales Tax	5.43	2001-02
Deputy Commercial Tax Office – Tamil Nadu	Central Sales Tax	802.77	2002-03
Deputy Commercial Tax Office – Delhi	Central Sales Tax	7.33	2005-06

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund / nidhi/mutual benefit fund/society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments, the provision of clause 4[xiv] of the Companies (Auditors Report) Order, 2003 is not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. The company has not taken any term loan during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to the promoters of the company during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any monies by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For Attar & Co.
Chartered Accountants
 Firm Registration No.: 112600W

M.F.Attar
 Proprietor
 Place: Mumbai
 Membership No. : 034977
 Date: 9th May, 2014

Balance Sheet as at 31st March, 2014

(₹ in Lakhs)

	Note No.	As at 31st March, 2014	As at 31st March, 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,446.49	2,446.49
Reserves and surplus	4	7,830.24	7,514.49
		10,276.73	9,960.98
Non-current liabilities			
Deferred tax liabilities (net)	5	1,251.46	1,209.13
Other long-term liabilities	6	402.88	402.06
		1,654.34	1,611.19
Current liabilities			
Short-term borrowings	7	8,303.47	9,875.91
Trade payables	8	3,316.43	3,178.13
Other current liabilities	9	583.66	389.21
Short-term provisions	10	251.41	294.77
		12,454.97	13,738.02
TOTAL		24,386.04	25,310.19
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	5,917.06	5,685.42
Intangible assets	11	1,258.21	1,258.21
		7,175.27	6,943.63
Capital Work in Progress		3.00	3.00
Non-current investments	12	1.15	1.15
Long-term loans and advances	13	1,227.81	1,510.18
		1,231.96	1,514.33
Current assets			
Inventories	14	10,008.72	10,763.17
Trade receivables	15	5,647.39	5,668.23
Cash and cash equivalents	16	271.90	373.43
Short-term loans and advances	17	50.80	47.40
TOTAL		24,386.04	25,310.19
Summary of Significant Accounting Policies	2		
See accompanying notes forming part of the financial statements			

As per our report of even date

For Attar & Co.

Chartered Accountants

Registration No - 112600W

R. Venkataraman
C.F.O. & C.O.O.**For and on behalf of Board****J. K. Pathare****M.F. Attar**

Proprietor

M.No.034977

Mumbai

Date : 9th May, 2014**Ashish Mandaliya**
Company Secretary**S. J. Pathare**

Mumbai

Dated : 9th May, 2014**K. J. Pathare**

Statement of Profit and Loss for the year ended on 31st March, 2014

(₹ in Lakhs)

	Note No.	Year ended 31st March, 2014	Year ended 31st March, 2013
Revenue from operations (Gross)	18	25,741.56	26,415.99
Less: Excise duty		-	1,469.17
Revenue from operations (net)		25,741.56	24,946.82
Other income	19	133.32	543.68
Total revenue		25,874.88	25,490.50
Expenses			
(a) Cost of materials consumed	20A	15,379.29	16,255.23
(b) Changes in inventories of finished goods and work-in-progress	20B	678.32	(1,506.94)
(c) Employee benefits expense	21	1,578.39	1,446.12
(d) Advertisement & Publicity Expenses		294.78	1,332.46
(e) Finance costs	22	1,269.85	1,391.52
(f) Depreciation and amortization expense	11	351.05	340.42
(g) Other expenses	23	5,517.23	5,793.18
Total expenses		25,068.91	25,051.99
Profit / (Loss) before exceptional items and tax		805.97	438.51
Profit / (Loss) before tax		805.97	438.51
Tax expense:			
(a) Current tax expense relating to prior years		-	3.00
(b) Net current tax expense		(230.98)	(105.70)
(c) Deferred tax		(42.33)	(51.30)
Profit / (Loss) for the year		532.66	284.51
Earnings per share (of 2/- each):			
Basic and Diluted		0.73	0.34

Summary of Significant Accounting Policies

2

See accompanying notes forming part of the financial statements

As per our report of even date

For Attar & Co.

Chartered Accountants

Registration No - 112600W

R. Venkataraman
C.F.O. & C.O.O.

For and on behalf of Board

J. K. Pathare

M.F. Attar

Proprietor

M.No.034977

Mumbai

Date : 9th May, 2014

Ashish Mandaliya
Company Secretary

S. J. Pathare

Mumbai

Dated : 9th May, 2014

K. J. Pathare

Cash Flow Statement for the year ended on 31st March, 2014

(₹ in Lakhs)

	Year ended 31 March, 2014	Year ended 31 March, 2013
A. Cash Flow From Operations		
Net Profit before Tax	805.97	438.51
Adjustment for :		
Depreciation and Amortization	351.05	340.42
Insurance Claim	(5.99)	-
Duty Draw Back	(118.21)	(104.84)
Other Income	(68.26)	(115.06)
(Profit)/Loss on sale of Assets (Net)	31.78	44.38
Financial Cost	1,269.86	1,391.52
Interest Received	(29.22)	(24.56)
Rent Received	(29.78)	(25.63)
	1,401.23	1,506.23
Operating Profit before Working Capital Changes	2,207.20	1,944.74
Adjustment for :		
(Increase) / Decrease in Inventories	754.45	(1,586.38)
(Increase) / Decrease in Trade Receivables	20.84	(966.73)
(Increase) / Decrease in Short Term Loans & Advances	(3.40)	(29.37)
(Increase) / Decrease in Long Term Loans & Advances	51.36	(553.53)
Increase / (Decrease) in Trade Payables	138.30	1,359.21
Increase / (Decrease) in Other Current Liabilities	195.61	138.42
Increase / (Decrease) in Short Term Provisions	(8.13)	18.42
	1,149.03	(1,619.96)
(Increase) / Decrease in Working Capital		
Cash Generated From Operations	3,356.23	(324.78)
Add/(Less):		
Net Income Tax (Paid)/Refunds	0.03	50.94
Net Cash Flow from / (used in)	3,356.26	375.72
Add:		
Insurance Claim	5.99	-
Duty Drawbacks	118.21	104.84
Net Cash Flow from / (used in) Operating Activities	(A) 3,480.46	480.56
B. Cash Flow From Investing Activities		
Purchase of Fixed Assets	(623.71)	(472.58)
Sale of Fixed Assets	9.24	10.51
Other Income	68.26	115.06
Interest Income	29.22	24.56
Rental Income from Investment Properties	29.78	25.63
Net Cash Flow from / (used in) Investing Activities	(B) (487.21)	(296.82)

Cash Flow Statement for the year ended on 31st March, 2014

(₹ in Lakhs)

	Year ended 31 March, 2014	Year ended 31 March, 2013
C. Cash Flow From Financing Activities		
Security Deposit Received	13.30	(13.26)
Repayment of Other Long Term Liabilities	(12.48)	16.04
Increase / (Decrease) in Utilisation of Cash Credit	(475.57)	1,303.15
Proceeds from Short Term Borrowings	(1,096.88)	320.00
Financial cost	(1,269.86)	(1,391.52)
Dividends paid	(218.10)	(246.77)
Dividends Tax paid	(35.19)	(40.31)
Net Cash Flow from / (used in) Financing Activities	(C) (3,094.78)	(52.67)
Net Increase / (Decrease) in Cash & Cash Equivalents	(A+B+C) (101.53)	131.07
Cash & Cash Equivalents at the beginning of the year	373.43	242.36
Cash & Cash Equivalents at the end of the year	271.90	373.43
* Comprises:		
(a) Cash on Hand	4.75	4.20
(b) Balances with Banks		
(i) In Current Accounts	49.01	233.50
(ii) In Deposit Accounts with original maturity of less than 3 months	197.91	114.35
(iii) In Earmarked Accounts:- Unpaid Dividend Account	20.23	21.38
	271.90	373.43

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
- (ii) These earmarked account balances with banks can be utilized only for the specific identified purposes.

See accompanying notes forming part of the financial

As per our report of even date

For Attar & Co.

Chartered Accountants

Registration No - 112600W

R. Venkataraman
C.F.O. & C.O.O.

For and on behalf of Board

J. K. Pathare

M.F. Attar

Proprietor

M.No.034977

Mumbai

Date : 9th May, 2014

Ashish Mandaliya
Company Secretary

S. J. Pathare

Mumbai

Dated : 9th May, 2014

K. J. Pathare

Maxwell Industries Ltd.

Notes forming part of the financial statements

1. CORPORATE INFORMATION

Maxwell Industries Limited ('Company') was incorporated on 14th January, 1991. The Company's Identification No. is L18101MH1991PLC059804. The Company is a leading Manufacturer, Marketing and Distribution of Men's, Women's inner wears and Socks under brand name VIP, Frenchie and Feelings. The Company's Equity Shares are listed on BSE Limited (BSE) and National Stock Exchange Limited (NSE).

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. All the amounts in financial are presented in Rupees in Lakhs except per share data or as otherwise stated, figures for the previous year have been regrouped/rearranged wherever considered necessary to conform the figure presented in the current year.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

c) Inventories

- i) Cost of Inventories has been computed to include all Cost of Purchases. Cost of Conversion and other costs incurred in bringing the inventories to their present location.
- ii) Raw materials and components, Stores and Spares are valued at cost. The cost are ascertained using the weighed average method, except in case of slow moving and obsolete material, at lower of cost or estimated realizable value.
- iii) Work-in-progress and finished goods are valued at lower of cost or realizable value include appropriate proportion of overheads and where applicable excise duty.
- iv) Scrap is valued at estimated realizable value
- v) Goods in transit are stated at actual cost up to the Balance Sheet.

d) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

f) Fixed Assets, Depreciation and Amortization

- i) Fixed assets are valued at cost of acquisition/construction (including expenses /interest on borrowings, directly attributable to such asset, during construction period). Cost of acquisition is inclusive of freight, insurance, duties net of credits under CENVAT scheme, levies and all incidentals attributable to bringing the asset to its working condition.
- ii) Buildings, Plant & Machinery(except assets subject matter of impairment) and other assets, including intangible assets are depreciated over their estimated useful lives or lives derived from the rates specified in Schedule XIV to the Companies Act, 1956, whichever is lower, except for assets costing less than ₹ 5000/- which are fully depreciated in the year of acquisition.
- iii) Assets subject to impairment, on the asset's revised carrying amount, over its remaining useful life.

g) Revenue recognition

Sales are recognized, net of returns and trade discounts/rebates, incentives on sales on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

h) Other income

- i) Income from Interest is recognized in the year in which it is accrued and stated at gross of tax deducted at source.

Notes forming part of the financial statements

- ii) Rental income from hiring of facilities is accounted in accordance with the terms and conditions agreed with the customer.
- iii) Dividend is recognized when the right to receive the dividend is unconditionally established on the Balance Sheet date.

i) Foreign currency transactions and translations

i) Initial recognition

Transactions in foreign currencies are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non- monetary items are reported using the exchange rate at the date of transaction.

In respect of transactions covered by forward exchange contracts premium or discount being the difference between the forward rate and the exchange rate on the date of the transaction is recognized as income or expense over the life of the contract.

iii) Exchange difference

Transactions not covered by forward contracts and outstanding at year end are translated at exchange rates prevailing at the year end and the profit / loss so determined is recognized in the Profit and Loss Account.

j) Export incentives

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

k) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Long term investments are stated at cost less provision for diminution other than temporary, if any in the value of such investments. Current investments are valued at lower of cost or market value.

l) Retirement and other Employee benefits

Retirement benefits to employees are provided for by payments to Gratuity, Superannuation and Provident Funds Retirement benefit in the form of provident fund /pension schemes are charged to Profit and Loss account of the year when the contributions to the respective funds are due.

i) Gratuity Plan

The company has taken an insurance policy under the group gratuity scheme with Life Insurance Corporation of India to cover the gratuity liability of the employees of the company. The Liability for gratuity is provided for on the basis of actuarial valuation done at the end of the financial year.

ii) Leave Encashment Liability for leave encashment is provided for on actuarial valuation done at the end of financial year.

m) Borrowing costs

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of the cost of such assets to the extent they relate to the period till such assets are ready to put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit and Loss account. Borrowing cost comprises of interest and other cost incurred in connection with borrowing of funds.

n) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

o) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities are computed on the timing differences applying the tax rates enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against such deferred tax assets can be realized.

Maxwell Industries Ltd.

Notes forming part of the financial statements

Current and deferred tax relating to items directly recognized in equity are recognized in equity and not in the Statement of Profit and Loss.

p) Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

q) Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

r) Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

3. SHARE CAPITAL

3.1 Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
Authorized				
Equity shares of ₹ 2/- each	15,00,00,000	3,000.00	15,00,00,000	3,000.00
Redeemable Preference Shares of ₹ 100/- each	45,00,000	4,500.00	45,00,000	4,500.00
Issued , Subscribed and fully paid up shares				
Equity shares of ₹ 2/- each fully paid up	6,30,77,215	1,261.54	6,30,77,215	1,261.54
5% Redeemable Preference Shares of ₹ 100/- each	11,84,950	1,184.95	11,84,950	1,184.95
Total		2,446.49		2,446.49

Note:

- 3,57,50,000 Ordinary Shares of ₹ 2/- each allotted as fully paid up Bonus Shares by way of Capitalization of Share Premium.
- The Company has allotted the 24,35,000, 5% Redeemable Preference Shares of ₹ 100/- each on 1st February, 2006, redeemable after 31.01.2016 with an option to the Company to redeem it at the end of the 8th, 9th and 10th Year, in three equal installment of ₹ 811.60 Lakhs each i.e. redeemable on 31.01.2014, 31.01.2015 and 31.01.2016. After the Buyback of Preference Shares the installment will be proportionately reduce to ₹ 394.98 Lakhs each year to be redeemed on 31.01.2014, 31.01.2015 and 31.01.2016

3.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
Equity Shares of ₹ 2/- each fully paid up				
Opening	6,30,77,215	1,261.54	6,30,77,215	1,261.54
Add/(Less): During the year	-	-	-	-
Closing	6,30,77,215	1,261.54	6,30,77,215	1,261.54
5% Redeemable preference shares of ₹ 100/- each				
Opening	11,84,950	1,184.95	11,84,950	1,184.95
Add/(Less): During the year	-	-	-	-
Closing	11,84,950	1,184.95	11,84,950	1,184.95

Notes forming part of the financial statements

3.3 Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	% Held	Number of shares	% Held
Equity Shares				
Reliance Capital Partners	91,77,215	14.55%	91,77,215	14.55%
Sunil J. Pathare	1,61,07,425	25.54%	1,61,07,425	25.54%
Kapil J. Pathare	1,16,84,465	18.52%	1,16,84,465	18.52%
Jaykumar K. Pathare	54,24,125	8.60%	54,24,125	8.60%
Lalita J. Pathare	50,02,812	7.93%	50,02,812	7.93%
5% Redeemable Preference Shares				
Jaykumar K. Pathare	67,600	5.70%	67,600	5.70%
Sunil J. Pathare	3,43,700	29.01%	3,43,700	29.01%
Kapil J. Pathare	3,39,800	28.68%	3,39,800	28.68%
Lalita J. Pathare	4,33,850	36.61%	4,33,850	36.61%

3.4 Rights, Preference and Restriction attached to Shares

The Company has two class of shares, one is Equity shares having face value of ₹ 2/- each per share and another is 5% Redeemable Preference shares of ₹ 100/- each. Each holder of equity share is entitled to one vote per share. The Preference shares does not carry voting rights but entitled to get the dividend. The dividend, if any, proposed by the Board of Directors is subject to the approval of the equity shareholder in their ensuing general meeting. In the event of liquidation of the Company, the holder of equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts (including redeemable Preference Shares). The distribution will be in proportion to the number of equity shares held by the shareholders.

3.5 The Company does not have any holding company or subsidiary company. Hence disclosure of shares held by holding Company and subsidiary company does not arise.

4. RESERVE AND SURPLUS

	As at 31 March, 2014 (₹ in Lakhs)	As at 31 March, 2013 (₹ in Lakhs)
(a) Capital Redemption Reserve		
Opening Balance	2,850.05	2,850.05
Add/(Less): During the year	-	-
Closing balance	2,850.05	2,850.05
(b) Securities Premium		
Opening balance	2,609.49	2,609.49
Add/(Less): During the year	-	-
Closing balance	2,609.49	2,609.49
(c) General Reserve		
Opening balance	1,380.00	1,350.00
Add: Transferred from surplus in Statement of Profit and Loss	70.00	30.00
Closing balance	1,450.00	1,380.00
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	674.95	672.56
Add: Profit / (Loss) for the year	532.66	284.52
	1,207.61	957.08
Less:		
Proposed Dividend on Equity Share 20 paise (P.Y. 25 paise) per share	126.15	157.69
Proposed Dividend on Preference Share, ₹ 5/- (P.Y. ₹ 5/-) per share	59.25	59.25
Dividend Distribution Tax	31.51	35.19
Transferred to General reserve	70.00	30.00
Closing balance	920.70	674.95
Total	7,830.24	7,514.49

Notes forming part of the financial statements

	As at 31 March, 2014 (₹ in Lakhs)	As at 31 March, 2013 (₹ in Lakhs)
5. DEFERRED TAX LIABILITIES (NET)		
Opening balance	1,209.13	1,157.83
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	42.33	51.30
Tax effect of items constituting deferred tax liability	42.33	51.30
Tax effect of items constituting deferred tax assets		
MAT Tax Credit	-	-
Others	-	-
Tax effect of items constituting deferred tax assets	-	-
Net deferred tax liability	42.33	51.30
Closing balance	1,251.46	1,209.13

The Company has recognized deferred tax assets on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income tax (or) The Company has recognized deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.

6. OTHER LONG-TERM LIABILITIES		
Others:		
(i) Trade / security deposits received	378.58	365.28
(ii) Vehicle loans	24.30	36.78
Total	402.88	402.06

7. SHORT TERM BORROWINGS		
<u>Secured</u>		
From Banks		
Cash credit	7,326.54	7,802.10
Purchase Bill Discounting	831.27	1,673.81
Buyers Credit - Kotak Mahindra Bank	145.66	-
<u>Unsecured</u>		
From Banks		
Short Term Loan	-	400.00
Total	8,303.47	9,875.91

Notes:

- (i) Working Capital Loan secured by way of Hypothecation of Inventories & Book Debts of the Company and further secured by way of Equitable Mortgage of Property situated at GIDC-Umergaon (Gujarat), Kachigam (Daman), SIPCOT-Perundurai (Tamil Nadu), Edyarpalayam (Tamil Nadu) and Thingalur (Tamil Nadu).
- (ii) Buyers credit arranged by Kotak Mahindra Bank is secured against import of Machineries, finance by them.
- (ii) Purchase Bill Discounting is secured by way of sub-servient charge on the inventories and Book Debts and further secured by way of Personal Guarantee of Promotor - Directors.
- (iii) Unsecured Short Term Loan is guaranteed by Promotor - Directors.

Notes forming part of the financial statements

	As at 31 March, 2014 (₹ in Lakhs)	As at 31 March, 2013 (₹ in Lakhs)
8. TRADE PAYABLES		
Trade Payables:		
Acceptances	1,061.65	760.36
Other than Acceptances	2,254.78	2,417.77
Total	3,316.43	3,178.13
* Payment against supplies from small scale and ancillary undertakings are generally made in accordance with agreed credit terms.		
9. OTHER CURRENT LIABILITIES		
Current maturities of long-term debt	14.93	22.56
Unpaid dividends #	20.23	21.38
Scheme Discount	-	8.50
Salary Payable	95.92	65.87
Electricity payable	3.86	4.29
Provision for outstandings	352.26	167.08
Other payables *	96.46	99.53
Total	583.66	389.21
# The figures reflect the position as at year end. The actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due date.		
* Including Statutory dues, Contributions to PF and ESIC, VAT, TDS, Service Tax, Professional Tax etc.		
10. SHORT TERM PROVISIONS		
For Employee Benefits	34.50	42.63
For Equity Dividend	126.15	157.69
For Preference Dividend	59.25	59.25
For Tax on Dividends	31.51	35.20
Total	251.41	294.77

Notes forming part of the financial statements

11. FIXED ASSETS

(₹ in Lakhs)

Description	Gross block				Depreciation / Amortization				Net block	
	As at 1 April, 2013	Additions	Disposal And Deduction	As at 31 March, 2014	As at 1 April, 2013	For the Year	Disposal and Deduction	As at 31 March, 2014	As at 31 March, 2014	As at 31 March, 2013
A) TANGIBLE ASSETS:										
(a) Land										
Freehold	76.80	-	-	76.80	-	-	-	-	76.80	76.80
Leasehold	158.20	-	-	158.20	-	-	-	-	158.20	158.20
(b) Buildings	2,475.05	181.09	-	2,656.14	444.30	63.00	-	507.30	2,148.84	2,030.75
(c) Plant and Equipment	4,609.43	376.69	79.88	4,906.24	1,677.57	227.65	56.72	1,848.50	3,057.74	2,931.86
(d) Furniture and Fixtures	267.97	17.22	4.97	280.22	136.98	14.45	0.98	150.45	129.77	130.99
(e) Vehicles	233.47	11.14	32.34	212.27	69.71	20.25	18.56	71.40	140.87	163.76
(f) Office equipment	82.47	4.62	3.41	83.68	55.70	3.50	3.36	55.84	27.84	26.77
(g) Electrical Installations	207.10	-	-	207.10	90.74	7.70	-	98.44	108.67	116.35
(h) Boilers	48.32	16.68	-	65.00	47.46	0.69	-	48.15	16.85	0.87
(i) Effluent Treatment Plant	13.76	-	-	13.76	13.66	0.10	-	13.76	-	0.11
(j) Computers Systems	199.96	16.25	9.09	207.12	151.00	13.71	9.06	155.65	51.48	48.96
Total (A)	8,372.53	623.69	129.69	8,866.53	2,687.12	351.05	88.68	2,949.49	5,917.06	5,685.42
B) INTANGIBLE ASSETS:										
(a) Goodwill & Other Right	1,258.21	-	-	1,258.21	-	-	-	-	1,258.21	1,258.21
Total (B)	1,258.21	-	-	1,258.21	-	-	-	-	1,258.21	1,258.21
Total (A + B)	9,630.74	623.69	129.69	10,124.75	2,687.12	351.05	88.68	2,949.49	7,175.27	6,943.63
Previous year	9,453.94	469.56	292.76	9,630.75	2,421.38	340.42	74.69	2,687.11	6,943.63	

	As at 31 March, 2014 (₹ in Lakhs)	As at 31 March, 2013 (₹ in Lakhs)
12. NON-CURRENT INVESTMENTS		
Quoted		
(A) Investment in equity instruments Others:-		
100 shares of ₹ 10/- each fully paid up in N.K. Industries Limited	0.04	0.04
21900 shares ₹ of 10/- each fully paid up in Kripa Chemicals Limited	5.48	5.48
	5.52	5.52
(B) Investment in Government or trust securities		
(i) Government Securities NSC	1.15	1.15
	1.15	1.15
Total	6.67	6.67
Less: Provision for diminution in value of investments	5.52	5.52
Total	1.15	1.15
Aggregate amount of quoted investments	5.52	5.52
Aggregate market value of listed and quoted investments	-	0.03
Aggregate amount of unquoted investments	-	-

Notes forming part of the financial statements

	As at 31 March, 2014 (₹ in Lakhs)	As at 31 March, 2013 (₹ in Lakhs)
13. LONG TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Security deposits	119.33	117.62
Loans and advances to employees	18.39	22.98
Advance income tax (net of provisions)	(8.97)	185.62
Sales Tax refund receivable	340.84	286.95
Duty draw back receivable	55.41	41.44
Interest receivable	1.70	0.16
MAT credit entitlement	-	36.42
Service Tax credit receivable	47.53	52.09
Insurance claim Receivable*	583.80	583.80
SHIS Export Incentive	42.58	42.58
Other loans and advances	27.20	140.52
Total	1,227.81	1,510.18
* Loans and advance include insurance claim receivable for loss of fixed assets ₹163.19 Lakhs and for loss of stock ₹420.60 Lakhs.		
14. INVENTORIES		
(As certified by Management)		
Raw Materials	2,429.88	2,506.01
Stock in Process	3,504.96	3,460.69
Finished Goods	4,073.88	4,796.47
Total	10,008.72	10,763.17
15. TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months		
Secured, considered good		
Unsecured, considered good	603.88	878.41
Doubtful	168.52	130.17
	772.40	1,008.58
Less: Provision for doubtful trade receivables	168.52	130.17
	603.88	878.41
Other Trade receivables		
Secured, considered good	378.58	365.28
Unsecured, considered good	4,664.93	4,424.54
	5,043.51	4,789.82
Total	5,647.39	5,668.23
Note: Trade receivables include debts due from:		
Firms in which any director is a partner		
Pats Treasures	21.13	30.34
	21.13	30.34

Notes forming part of the financial statements

	As at 31 March, 2014 (₹ in Lakhs)	As at 31 March, 2013 (₹ in Lakhs)
16. CASH AND CASH EQUIVALENTS		
Cash on hand	4.75	4.20
Balances with banks		
In current accounts	49.01	233.50
In Deposit accounts	197.91	114.35
In earmarked accounts		
- Unpaid dividend accounts	20.23	21.38
Total	271.90	373.43
17. SHORT TERM LOANS AND ADVANCE		
Unsecured Considered Good		
Rent receivable	9.04	-
Prepaid expenses	41.76	47.40
Total	50.80	47.40
	For the year ended 31 March, 2014 (₹ in Lakhs)	For the year ended 31 March, 2013 (₹ in Lakhs)
18. REVENUE FROM OPERATION		
(a) Sale of products (Refer Note (i))	25,610.18	26,251.08
(b) Other operating revenues (Refer Note (ii))	131.38	164.91
	25,741.56	26,415.99
(c) Less :- Excise duty	-	1,469.17
Total	25,741.56	24,946.82
Note		
(i) Sale of products comprises :-		
Manufactured goods	24,866.66	25,365.74
Knit wear	743.52	885.34
Others		
Total	25,610.18	26,251.08
(ii) Other operating revenues comprise:-		
Sale of scrap	13.17	60.07
Duty drawback and other export incentives	118.21	104.84
Total	131.38	164.91
19. OTHER INCOME		
Interest income	29.23	24.56
Rental income from investment properties	29.78	25.63
Profit on sale of fixed assets (net of expenses directly attributable)	0.06	1.34
Miscellaneous income	68.26	68.90
Insurance Claim*	5.99	423.25*
Total	133.32	543.68

* Insurance Claim includes loss of stock by fire at Thingalur location of ₹ 420.60 Lakhs, which is pending with Insurance Company.

Notes forming part of the financial statements

	For the year ended 31 March, 2014 (₹ in Lakhs)	For the year ended 31 March, 2013 (₹ in Lakhs)
20. A. COST OF MATERIAL CONSUMED		
Opening stock	2,506.01	2,426.57
Add: Purchases	15,303.15	16,334.67
	17,809.16	18,761.24
Less: Closing stock	2,5429.87	2,506.01
Cost of material consumed	15,379.29	16,255.23
B. CHANGE OF INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS		
Inventories at the end of the year:		
Finished goods	4,073.88	4,796.47
Work-in-progress	3,504.96	3,460.69
	7,578.84	8,257.16
Inventories at the beginning of the year:		
Finished goods	4,796.47	4,617.25
Work-in-progress	3,460.69	2,132.97
	8,257.16	6,750.22
Net (increase) / decrease	678.32	(1,506.94)
21. EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	1,346.34	1,193.51
Contributions to provident and other fund (Gratuity Fund)	147.93	110.35
Staff welfare expenses	74.43	136.21
Directors' Commission	9.69	6.05
Total	1,578.39	1,446.12
22. FINANCE COST		
(a) Interest expense on:-		
(i) Borrowings	1,157.08	1,286.55
(ii) Interest on security deposit	36.17	33.32
(b) Other borrowing costs :-		
(i) Processing Charges	54.09	32.62
(ii) Bank charges	22.51	39.03
Total	1,269.85	1,391.52

Notes forming part of the financial statements

	For the year ended 31 March, 2014 (₹ in Lakhs)	For the year ended 31 March, 2013 (₹ in Lakhs)
23. OTHER EXPENSES		
Books & Periodicals	15.13	11.72
Business promotion	137.30	76.48
Communication (Postage & Telephone)	55.41	58.01
Festival Expenses	11.27	14.12
Freight and forwarding	454.72	559.14
Freight Inward	228.68	213.95
Garmenting charges	2,326.78	2,401.51
Insurance	46.56	51.55
Knitting and processing charges	407.36	800.49
Legal and professional	126.42	114.78
Loss on fixed assets sold / scrapped / written off	31.84	45.72
Membership & Seminar Expenses	26.98	2.65
Miscellaneous expenses	67.25	53.16
Net loss on foreign currency (other than considered as finance cost)	-	-
Payments to auditors (Refer Note (i) below)	14.50	11.25
Power and fuel	267.38	267.58
Printing & stationery and Computer Expenses	41.91	40.55
Provision for doubtful trade and other receivables, loans and advances (net)	202.41	130.17
Rates and taxes	37.54	48.35
Rent	193.49	153.52
Repairs and maintenance - Buildings	2.86	3.83
Repairs and maintenance - Machinery	49.37	42.37
Repairs and maintenance - Others	65.34	72.54
Sales commission	191.62	167.86
Sales Tax & Turnover Tax	41.65	28.47
Security Service Charges	56.67	52.33
Travelling, conveyance and motor car	389.10	349.72
Water Expenses	27.69	21.36
Total	5,517.23	5,793.18
Notes:		
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	12.00	9.50
For taxation matters	2.50	1.75
Total	14.50	11.25

Notes forming part of the financial statements

24. Employee benefit plans

Defined contribution plans

The Company makes Provident Fund and Employee pension scheme to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 118.90 Lacs (Year ended 31 March, 2013 ₹ 94.52 Lacs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

- i. Gratuity
- ii. Other defined benefit plans (Leave Encashment)

The following table sets out the funded status of the defined benefit schemes and the amount recognized in the financial statements:

Particulars	Year ended 31 March, 2014 (₹ in Lakhs)		Year ended 31 March, 2013 (₹ in Lakhs)	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Components of employer expense				
Current service cost	14.31	6.08	13.33	6.13
Interest cost	13.65	5.19	12.80	4.87
Expected return on plan assets	(17.53)	-	(17.23)	-
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Past service cost	-	-	-	-
Actuarial losses/(gains)	(18.33)	2.52	4.80	4.92
Total expense recognized in the Statement of Profit and Loss	(7.90)	13.79	13.70	15.92
Actual contribution and benefit payments for year				
Actual benefit payments	-	-	-	-
Actual contributions	-	-	-	-
Net asset / (liability) recognized in the Balance Sheet				
Present value of defined benefit obligation	175.23	-	170.58	-
Fair value of plan assets	214.67	-	202.12	-
Funded status [(Surplus) / Deficit]	(39.44)	-	(31.54)	-
Unrecognized past service costs	-	-	-	-
Net asset / (liability) recognized in the Balance Sheet	-	-	-	-
Change in defined benefit obligations (DBO) during the year				
Present value of DBO at the beginning of the year	170.58	61.88	159.93	55.70
Current service cost	14.31	6.08	13.33	6.13
Interest cost	13.65	5.19	12.80	4.87
Actuarial (gains) / losses	(18.33)	2.52	4.80	4.92
Benefits paid	(4.98)	(11.67)	(20.28)	(8.74)
Present value of DBO at the end of the year	175.23	65.00	170.58	62.88
Change in fair value of assets during the year				
Plan assets at the beginning of the year	202.12	-	197.30	-
Expected return on plan assets	17.53	-	17.23	-
Actual company contributions	-	-	7.87	-
Actuarial gain / (loss)	-	-	-	-
Benefits paid	(4.98)	-	(20.28)	-
Plan assets at the end of the year	214.67	-	202.12	-
Actuarial assumptions				
Discount rate	8.00%	8.25%	8.00%	8.25%
Expected return on plan assets	8.00%	2.00%	8.00%	2.00%
Salary escalation	4.00%	4.00%	4.00%	4.00%

Maxwell Industries Ltd.

Notes forming part of the financial statements

25. Related party transactions

a. Details of related parties:

Associates
 Maxwell Ventures Private Limited
 Maxwell Capital Management Private Limited
 Maxwell Entertainment Private Limited
 Maxwell Retails Private Limited
 HYBO Hindustan
 PAKO Hindustan *
 Pats Treasures *
 Unnati Ventures
 Kanishk Capital Partners
 K. 3 Realtors
 Global Construction
 Pathare Agro Farms
 Shogun Chemicals Private Limited

Note: Related parties have been identified by the Management.

* Transactions with Related Parties.

b. Details of related party transactions and Balance outstanding as at 31st March, 2014:

Particulars	Year ended 31 March, 2014 (₹ in Lakhs)	Year ended 31 March, 2013 (₹ in Lakhs)
Associates		
Purchase of goods / services	123.76	106.21
Sale of goods	-	6.28
Remuneration to Directors	112.26	110.08
Balances outstanding at the end of the year		
Trade receivables	436.48	599.19
Trade payables	43.40	33.97

26. Earnings per share

Net Profit /(Loss) After Tax	532.67	281.51
Less:-Preference Dividend and Tax thereon	69.32	68.86
Net Profit/(loss) for the year attributable to the Equity Shareholders	463.35	212.65
Weighted average number of equity shares	63077215 Nos	63077215 Nos
Par value of equity shares	₹ 2/-	₹ 2/-
Earnings per share - Basic & Diluted	₹ 0.73	₹ 0.63

27. Contingent Liabilities and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Particulars	Year ended 31 March, 2014 (₹ in Lakhs)	Year ended 31 March, 2013 (₹ in Lakhs)
Guarantees given by Bank	23.35	30.95
Claims against the company not acknowledged as debts - Cotton Corporation of India	33.83	33.83
Income Tax Liability in Appeal by IT department	1,157.49	1,157.49
Letter of Credits	283.13	262.11

FINANCIAL HIGHLIGHTS

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

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Equity Share capital	1262	1262	1262	1262	1262	1262	1262	1262	1078*	616
Redeemable Pref. Shares Capital	1185	1185	1185***	1814**	2435	2435	2435	2435	2435	-
Convertible Pref. Shares Capital	-	-	-	-	-	-	-	1600	-	-
Reserves & Surplus	7830	7515	7482	7328	7360	7143	6934	6505	3516	3337
Misc. exp. not written off	-	-	-	-	14	38	61	109	87	73
Net Worth	9092	8777	8744	8590	8608	8367	8135	7658	4507	3880
Long term Debts	-	-	-	597	1321	2259	1323	2027	1578	1518
Net Asset Block	7175	6944	7033	8031	7592	7928	8295	5628	5379	2329
Total Income	25875	25491	22056 [#]	23220	21139	19818	20780	19485	17534	18006
Profit before tax	806	439	875 [#]	240	1067	1102	1584	1385	1451	246
Taxation	273	154	152	77	365	394	578	547	547	90
Profit after tax	533	285	464 [#]	163	702	708	1006	903	904	156
Dividend Rate on										
Equity share	10.00%	12.50%	15.00%	5.00%	20.00%	20.00%	22.50%	20.00%	15.00%	5.00%
Redeemable Pref. Shares	5.00%	5.00%	5.00%	5.00%	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	630.77	630.77	630.77	630.77	539*	61.60
Face value of Share-Equity (₹)	2	2	2	2	2	2	2	2	2	10
Preference (₹)	100	100	100	100	100	100	100	100	100	-
Earning per share (₹)	0.73	0.34	0.63	0.07	0.81	0.80	1.21	0.94	1.54	3.05
Book value per share (₹)	14.41	13.80	13.86	13.62	13.65	13.26	12.90	12.14	8.36	62.99
Current Ratio	1.34	1.22	1.32	1.26	1.68	1.77	1.79	1.95	1.55	1.58

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

** ₹ 620.60 Lakhs 5% Redeemable Preference shares of ₹ 100/- each bought back.

*** ₹ 629.45 Lakhs 5% Redeemable Preference shares of ₹ 100/- each bought back.

Excluding yarn - discontinued operation.

MAXWELL INDUSTRIES LIMITED

CIN : L18101MH1991PLC059804

Registered Office : C-6, Road No.22, MIDC, Andheri (East), Mumbai – 400 093.

Phone : (022) 2825 7624, 2825 7627 **Fax :** (91) (022) 2837 1023

Website : www.maxwell.in **Email :** info@viporg.com

Registrar & Transfer Agent : Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078.

ATTENDANCE SLIP

I/We hereby record my/our presence at the 24th Annual General Meeting of the Company held at “The All India Plastics Manufacturer’s Association Auditorium, Plot No.A-52, Road No.1, Marol, Andheri (East), Mumbai – 400 093” at 11.00 a.m. on Thursday, 25th September, 2014.

Registered Folio/ DP ID & Client ID	
Name and address of the shareholder(s) Joint Holder 1 Joint Holder 2	
No. of shares held	
Shareholder(s), please sign here	
If Proxy, please mention name and sign here Name of Proxy	
Signature of Proxy	

Notes:

1. Shareholder/ Proxy holder, as the case may be, is requested to sign and hand over this slip at the entrance of the Meeting venue.
2. Members are requested to advise the change of their address, if any, to Link Intime India Pvt. Ltd., at the above address.
3. Shareholders/Proxy holder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

MAXWELL INDUSTRIES LIMITED

CIN : L18101MH1991PLC059804

Registered Office : C-6, Road No.22, MIDC, Andheri (East), Mumbai – 400 093.

Phone : (022) 2825 7624, 2825 7627 **Fax :** (91) (022) 2837 1023

Website : www.maxwell.in **Email :** info@viporg.com

Registrar & Transfer Agent : Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078.

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered address:.....

E-mail Id:.....

Folio No/ Client Id:.....

DP ID:.....

I/We, being the member(s) holding shares of the above named Company, hereby appoint

1. Name :

Address:

E-mail Id:.....Signature:....., or failing him

2. Name :

Address:

E-mail Id:.....Signature:....., or failing him

3. Name :

Address:

E-mail Id:.....Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Thursday, 25th September, 2014 at 11.00 a.m. at "The All India Plastics Manufacturer's Association Auditorium, Plot No.A-52, Road No.1, Marol, Andheri (East), Mumbai – 400 093" and at any adjournment thereof in respect of such resolutions as are indicated below:

** I/We wish my above proxy (ies) to vote in the manner as indicated in the box below:

Resolutions	For	Against	Abstain
1. To receive, consider and adopt the audited Balance Sheet as at and the Statement of Profit and Loss for the financial year ended on 31 st March 2014, 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. Appointment of Auditors and fixing their remuneration.			
5. Appointment of Mr. Robin Banerjee as Independent Director			
6. Appointment of Mr. Gopal Sehjpal as Independent Director			
7. Appointment of Mr. Chetan Sheth as Independent Director			
8. Appointment of Mr. Arvind Kulkarni as Independent Director			
9. Mr. Sunil J. Pathare - change in residual term to retiring by rotation			
10. Mr. Kapil J. Pathare - change in residual term to retiring by rotation			
11. Re-appointment of Mr. Jaykumar Pathare as a Whole time Director of the Company			
12. Borrowing / Financial Assistance			
13. Creation of charge for Borrowings / Financial Assistance availed			

Signed this.....day of..... 2014.

Affix a
15 paise
revenue
stamp

Signature of shareholder _____

**This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorization should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but name of all the joint holders should be stated.

Frenchie^{VIP}

In the last 30 years the growth of Frenchie has been remarkable. With the changing time the brand has extended its product offering to suffice the varying needs of the consumers. Today Frenchie is a generic name in its category.

The brand has acquired the 'Power Brand' status that is to be counted amongst India's 100 Most Powerful Brands.

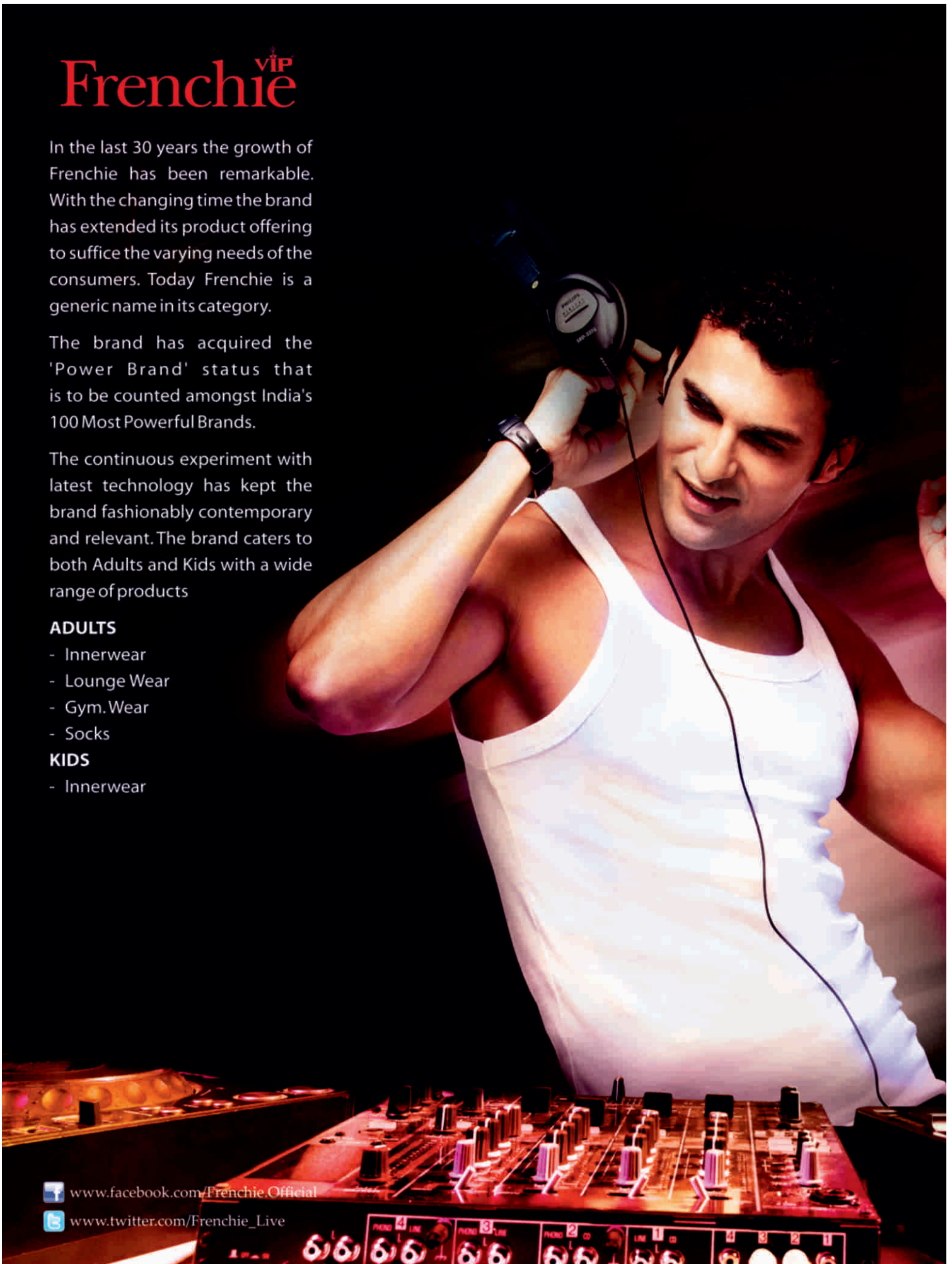
The continuous experiment with latest technology has kept the brand fashionably contemporary and relevant. The brand caters to both Adults and Kids with a wide range of products

ADULTS

- Innerwear
- Lounge Wear
- Gym. Wear
- Socks

KIDS

- Innerwear



 www.facebook.com/Frenchie.Official

 www.twitter.com/Frenchie_Live

LEADER

Leader stands out in the market because of its vigorous design and durability. The brand offers a varied range of products that provides comfort and choice for men, women and boys. Its affordable pricing is what makes it a popular brand in the rural and semi-urban regions.

Due to the ever evolving life style of these regions, the brand has launched a number of new product variants in order to cater to the specific markets. Milano- Brief, Super- Long Trunk and Prime- Mini Trunk are some of the examples. Apart from the all year round products they also have an exclusive thermal range for its target consumers.

It's the brand's ability to evolve with the evolving needs of consumers that has kept it alive and reputed in its target regions for so many years. The brand caters to both Adults and Kids with a wide range of products

MALE

- Innerwear
- Thermalwear
- Socks

FEMALE

- Innerwear

KIDS

- Innerwear
- Thermalwear



Feelings

Feelings has been pampering the Indian Woman with a complete range of lingerie for over two decades. Apart from its premium quality, it provides exquisite style and fine fit that keep women looking young every day.

It's the perfect mix of contemporary fashion and cozy comfort that has made Feelings a truly unique brand.

Product portfolio :

- ✦ Fundamental Bra (Woven fabric and Knitted Fabric Basic Bra)
- ✦ T-Shirt Bra (Moulded Cup Bra)
- ✦ Feeding Mother's Bra
- ✦ Sports Bra
- ✦ Classic and Fashion Panty
- ✦ Camisoles
- ✦ Loungewear (T-Shirt/ Capri/ Track Pant/ Gym Top)
- ✦ Thermal Wear

Today Feelings is present in more than 1000 MBOs and 1300 Trade stores across the country.





Maxwell Industries Ltd.

C - 6, Road No. 22, M.I.D.C., Andheri (E), Mumbai 400 093. Tel: +91 22 2825 7624 / 7627. Fax: +91 22 2837 1023 / 1024