

Corporate Information

Board of Directors

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

Vice President Finance & Company Secretary

R. Venkataraman

Auditors

Attar & Company
Chartered Accountants

Internal Auditors

Sharp & Tannan Associates
Chartered Accountants

Bankers

State Bank of India
Barclays Bank

Plant Location

Spinning Mill	: Kollapalur Village, Gobichettipalayam, Erode, Tamil Nadu - 638456
Knitting Unit	: 360/13, Ganesh Industrial Estate, Village Kachigam, Nani Daman, Daman - 396210
Processing House	: 13-15, SIPCOT, 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
Elastic Unit	: 105, SIDCO, Mudalipalayam, Tirupur, Tamil Nadu - 641606
Socks Unit	: D-20, Okhla Industrial Area, Phase 1, New Delhi - 110020

Registered Office

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

Registrars & Transfer Agents

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

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20TH ANNUAL GENERAL MEETING

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

NOTICE

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

ORDINARY BUSINESS:

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

Place : Mumbai
Date : 28th May , 2010

By order of the Board of Directors
For Maxwell Industries Limited

Registered Office :

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

R. Venkataraman
Vice President Finance &
Company Secretary

NOTES:

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

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

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

FINANCIAL HIGHLIGHTS

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

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

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

Maxwell Industries Ltd.

DIRECTORS' REPORT

To,

**THE MEMBERS
MAXWELL INDUSTRIES LTD.**

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

FINANCIAL RESULTS

(Rupees in Lakhs)

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

DIVIDEND

(Rupees in Lakhs)

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

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

OPERATIONS

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

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

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

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

Maxwell Industries Ltd.

EXPANSION AND DIVERSIFICATION

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

FIXED DEPOSIT

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

DIRECTORS

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

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

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

PERSONNEL

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

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

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

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

Particulars of Employees:

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

DIRECTORS' RESPONSIBILITY

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

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

CORPORATE GOVERNANCE

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

ACKNOWLEDGMENT

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

CAUTIONARY STATEMENT

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

Place : Mumbai
Date : 28th May, 2010

For and on behalf of the Board

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

Jaykumar K. Pathare
(Chairman)

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

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

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

B) TECHNOLOGY ABSORPTION

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

C) FOREIGN EXCHANGE EARNINGS AND OUTGOING

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

ANNEXURE - B

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

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

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

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

CORPORATE GOVERNANCE

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

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

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

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

Board of Directors

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

(A) Constitution of Board : The Board of Directors comprises of 8 members out of them three are Executive Directors and five Non-executive Independent Directors. The Managing Director & Whole time Directors are being paid remuneration while the other Directors are paid sitting fees for attending a Board Meeting as fixed by the Board.

(B) Composition of Board and number of meetings attended : The gap between 2 Board Meeting does not exceed more than 4 months. Leave of absence is granted as and when requested. All Directors have made necessary disclosures regarding their respective committee positions. The Board met Six times during the last financial year, on 19.05.09, 30.06.09, 28.07.09, 20.08.09, 30.10.09 and 29.01.10. The last AGM was held on 20th August, 2009.

COMPOSITION OF BOARD AND ATTENDANCE RECORD

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

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

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

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

REMUNERATION OF DIRECTORS

(Figures in Lakhs)

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

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

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

sitting fees paid to Reliance Capital Partners

Audit Committee

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

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

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

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

Maxwell Industries Ltd.

Investors Grievance Committee

- A) Constitution of Investors Grievance Committee: The Investors Grievance Committee comprises of four members out of them three are non-executive Independent Directors and one Executive Director.
- B) Composition of Investors Grievance Committee and number of meetings attended: The Investor Grievance committee met Five times during the last financial year on 19.05.2009, 30.06.2009, 28.07.2009, 30.10.2009 and 29.01.10. The composition of Investors Grievance Committee and the number of meetings attended were as under:

Name	Designation	Status	No. of committee meeting attended
Dr. Arvind Kulkarni	Chairman	Independent Director	5
Shri. Durgesh Chandra *	Member	Independent Director	0
Shri. Gopal Sehjpal	Member	Independent Director	4
Shri. Chetan Sheth **	Member	Independent Director	2
Shri. Sunil. J. Pathare	Member	Promoter Director	5

* Shri Durgesh Chandra a Director retired at last AGM held on 20-08-2009

**Shri Chetan Sheth, Director inducted as a member of the committee w.e.f. 30.10.2009 in place of Shri Durgesh Chandra.

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

General Body Meeting

The details of the last three Annual General Meetings of the Company (all held at The All India Plastic Manufacturers Association, Plot No. A-52, Road No. 1, MIDC, Marol, Andheri (East), Mumbai - 400093 are as under:

Financial Year	Date	Time	Special Resolution if passed
2008-2009	20 th August, 2009	11.00 a.m	No
2007-2008	29 th August, 2008	11.00 a.m	Yes
2006-2007	28 th December, 2007	10.30 a.m	No

Postal Ballot

No Special Resolution was passed through postal ballot during the last financial year 2009-10, however following Special Resolution passed through postal ballot on 15th May, 2010.

1. Alteration of Articles of Association - by inserting a new article 12A after existing article 12 of the Articles of association.
2. Approved the Buy Back of 5% Redeemable Preference Shares of the Company from the existing Preference Shareholders.

At present, there is no proposal to pass any special resolution through postal ballot.

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, Management or their Subsidiaries or relatives, etc., which may have potential conflict with the interests of the Company at large.
- The Company has complied with the requirements of regulatory authorities on capital markets and no penalty / stricture was imposed on the Company during the last three years.
- Secretarial Audit, was carried out by a qualified practicing 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 in agreement with the total number of dematerialized shares held with NSDL and CDSL.

Maxwell Industries Ltd.

- The Company has not implemented the Whistle Blower Policy which is a non-mandatory requirement under the code of the Corporate Governance.
- None of the Directors of the Company are disqualified as per the provisions of Section 274(1) (g) of the Companies Act, 1956.
The Company has not accepted any public deposits and no amount on account of public deposit was outstanding as on 31st March, 2010.

Means of Communication :

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

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

Quarterly Results	Newspaper	
	Economic Times	Maharashtra Times
30 th June, 2009	01.07.2009	01.07.2009
	Business Standard (English + Hindi Edition)	Sakal (Regional Language)
30 th September, 2009	31.10.2009	31.10.2009
31 st December, 2009	30.01.2010	30.01.2010
31 st March, 2010	29.05.2010	29.05.2010

General Shareholders information

- Annual General Meeting is proposed to be held on Thursday, 12th August, 2010 at 11.00 a.m. at The All India Plastic Manufacturers Association, Plot No. A - 52, Road No. 1, MIDC, Marol, Andheri (East), Mumbai - 400093.
- Financial Calendar : 1st April, 2010 to 31st March, 2011
- Quarterly Results : Results for quarter ending 30th June, 2010-Second week of August, 2010
Results for quarter ending 30th September, 2010- Second week of Nov, 2010
Results for quarter ending 31st December, 2010-Second week of February, 2011
Results for the year ended 31st March, 2011- May, 2011
- Annual Results : May, 2011
- Book Closure : 6th August, 2010 to 12th August, 2010.
(Both days inclusive)
- Dividend Payment : 17th August, 2010
- Registered office of the Company : C-6, Road No. 22, MIDC, Andheri (East)
Mumbai - 400 093.
- Registrar & Transfer Agent : Link Intime India Pvt Ltd,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai - 400 078.
- Listing of Equity Share : The Bombay Stock Exchange Limited (BSE)
The National Stock Exchange of India Limited (NSE)
- Stock code : 532613 (BSE)
MAXWELL (NSE)
- ISIN : INE450G01024

Maxwell Industries Ltd.

Stock Market Data:

Equity Shares:

Face value of share of Rs.2/- each

Month	*Bombay Stock Exchange (in Rs.)			*National Stock Exchange (in Rs.)		
	High	Low	Volume	High	Low	Volume
April 2009	14.99	8.06	752154	15.05	8.60	835713
May 2009	19.13	11.25	710992	19.30	11.10	609509
June 2009	22.00	15.05	706177	21.85	15.00	786238
July 2009	16.20	13.00	372973	16.50	13.00	394209
August 2009	18.95	15.00	587819	18.75	15.20	466081
September 2009	22.65	17.00	2372849	22.60	16.90	4557193
October 2009	24.50	16.05	2465442	24.45	15.80	3870578
November 2009	21.45	17.50	1368574	21.25	17.50	1601296
December 2009	25.10	18.40	5102980	24.70	18.10	6026267
January 2010	24.45	18.00	2110139	24.25	18.35	2670903
February 2010	21.95	18.10	1281940	22.00	18.10	1540937
March 2010	23.00	18.55	2830509	23.00	18.50	3270794

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

Distribution of Shareholders as on 31st March, 2010

Slab of no of Shareholding	Shareholders	% of Shareholders	Amount (Rs.)	% of Amount
1-5000	9430	92.5054	4841479	7.6755
5001-10000	433	4.2476	1626563	2.5787
10001-20000	175	1.7167	1277311	2.0250
20001-30000	36	0.3531	433871	0.6878
30001-40000	32	0.3139	560318	0.8883
40001-50000	19	0.1864	443131	0.7025
50001-100000	32	0.3139	1115310	1.7682
100001 above	37	0.3639	52779232	83.6740
	10194	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 as on 31st March, 2010

Period	% Change in		
	Maxwell Share Price	BSE Sensex	Maxwell Relative to Sensex
Year on year	121.28%	80.54%	40.74%
2 Years	21.30%	12.04%	9.26%
3 Years	-43.21%	34.09%	-77.29
4 Years	-30.20%	55.39%	-85.58%
5 Years	-60.30%	169.96%	-230.26%

Share price performance relative to NSE Nifty based on the share price as on 31st March, 2010

Period	% Change in		
	Maxwell Share Price	NSE Nifty	Maxwell Relative to Nifty
Year on year	120.22%	73.76%	46.47%
2 Years	23.66%	10.87%	12.79%
3 Years	-	-	-
4 Years	-	-	-

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

The Share of the Company got listed on NSE on 6th August, 2007.

Shareholding pattern as on 31st March, 2010

Category	No. of Share held	% to total
1. Indian Promoters & Person Acting in Concert	4,00,97,868	63.5695
Sub-total	4,00,97,868	63.5695
2.1 Mutual Funds & UTI	875	0.0014
2.2 Banks, FIs, Insurance Companies	Nil	Nil
2.3 FIIs	212973	0.3376
Sub-total	213848	0.3390
3.1 Bodies Corporates	1,21,78,056	19.3066
3.2 Indian Public	1,00,45,935	15.9264
3.3 NRIs. / NRNs.	3,44,832	0.5466
3.4 Clearing Members	1,96,676	0.3118
Sub-total	2,27,65,499	36.0915
Grand Total	6,30,77,215	100.00

Dematerialization of Shares:

No. Of shares held in dematerialised and physical forms are as under:-

	No. of Shares	% of total Shares issued
Holding in dematerialized form	6,09,14,479	96.57%
Holding in physical form	21,62,736	3.43%
Total	6,30,77,215	100%

About 96.57% of the shares of the Company have been dematerialized as on 31st March, 2010. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) where the shareholders can dematerialize their shares.

Secretarial Audit Report for reconciliation of the share capital of the Company obtained from practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The equity shares of the Company are traded at Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

The names and addresses of the Depositories are as under:

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

Share Transfer System

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

Shares held in dematerialized forms are electronically traded in the Depository, and the Registrars and 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.

Maxwell Industries Ltd.

Plant Locations of Maxwell Industries Ltd:

Factory Location	Activity
(i) Kolappalur Village, Gobichettipalayam, Erode, Tamil Nadu - 638 456	Spinning Mill
(ii) 360/13, Ganesh Industrial estate,village Kachigam, Nani Daman, Daman - 396 210	Knitting unit
(iii) 13-15, SIPCOT, Perundurai- , Erode, Tamil Nadu - 638 052	Processing House
(iv) C 119, TTC Industrial Area, MIDC, Pawane Village, Navi Mumbai, Maharashtra - 400 703	Processing House
(v) 92/94, New GIDC, Umbergaon, Valsad, Gujarat - 396 171	Stitching Unit
(vi) S. F. No. 125/126/127, Appachimarmadam, Thingalur, Erode, Tamil Nadu - 638 055.	Stitching Unit
(vii) 105, SIDCO, Mudhalipalyam, Tirupur, Tamil Nadu - 641 606.	Elastic Unit
(viii) D-20, Okhla Industrial Area, Phase 1, New Delhi - 110 020.	Socks Unit

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 (West), Mumbai - 400 078.
Tel No. - 022 25963838, Fax No. - 022 25946969 Email : rnt.helpdesk@linkintime.co.in

In case of difficulty, the 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 (East), Mumbai 400093, Tel No. - 022 28257624,
Fax No. - 022 28371023, Email : investor.relations@viporg.com

ANNEXURE TO CORPORATE GOVERNANCE FOR THE YEAR ENDED ON 31st MARCH, 2010

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Jaykumar K 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**

Place : Mumbai
Dated : 28th May, 2010

Jaykumar K. Pathare
Chairman

AUDITORS' CERTIFICATE

To The Members of
Maxwell Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by Maxwell Industries Limited, for the year ended on 31st March, 2010 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.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Company and the Registrars and transfer agent of the Company have maintained the records of investor grievances and certified that as on 31st March, 2010 there were no investor grievances remaining unattended / pending.

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.

Firm Membership No - 112600W
Chartered Accountants

M.F. Attar,
Proprietor.
Membership No : 34977

Place : Mumbai
Dated : 28th May, 2010

Maxwell Industries Ltd.

MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors presents hereunder an analysis of performance of the Company for the year 2009-10 and its outlook for the future.

Industry structure and developments

The textiles industry comprises of the following main segments, namely Cotton Silk, Woolen and Hand crafted Textiles. The Cotton textiles segment can again be subdivided into textiles and ready-made garments. The textile can be further classified as Woven and Knitted fabric. Knitted fabric is used for both innerwear as well in knit wear. The hosiery and garments sector is much more labour intensive, small scale, employing 5-40 workers per unit. One of the reasons for this is that the methods of production and the machinery used are largely manual.

Most of the hosiery, knitting and dyeing units are located in the residential areas and only a few of the large units are based in industrial areas. Most the units and firms are owner driven rather than professionally managed. Working hours in the factories generally are for 10-12 hours a day, 6 days a week. Majority of the industry is producing low value items, with low productivity and low quality generally, using traditional, locally manufactured and fabricated machinery. The machinery used for Innerwear are - hand flat knitting machines, circular knitting machines and imported reconditioned knitting machines; Knitwear has stitched on to multi thread lock stitch, chain lock, flat-lock and overlock machines which are either manufactured domestically or imported.

The industry uses both natural fibres/yarns - cotton, silk, jute, wool and man made fibers such as polyester, viscose, nylon, acrylic and blended fibres. Proper blended yarn of the required quality is often not available at reasonable price. Presently the industry is facing serious challenges due to steep increase in cotton and yarn prices both in domestic and international markets. Some of the reasons attributed for the increase in the domestic cotton prices has been free export of cotton, banning of export of cotton seeds and allowing duty free import of other edible oil. The ban on export of cotton seed oil has resulted in loss of revenues, which further contributed to the steep increase in cotton price in domestic market. Though some short term measures have been taken by the government like restriction on export of cotton, imposition of duty on export of yarn, it has yet not had the desired impact.

Financial Review

Please refer Board Report for operation-wise financial performance review.

Outlook and Opportunity

The Textile sector is important to the country on account of its contribution to income generation, employment and exports. The industry is self reliant and complete in value chain right from availability of raw materials to manufacture of garments. The outlook for textile industry in India is very optimistic. It is expected that Indian textile industry would continue to grow at an impressive rate. Though the domestic market for hosiery has been growing around 11-12% and the export market has got hit by the economic meltdown in the west but now it has been reviving. Better operation, high level of quality control and cost reduction will ensure performance of the Company. Your Company is optimistic, that with the efforts in that direction it will be able to obtain better results.

Outlook on threats, risks and concerns

Tamilnadu is one of the major consumer of cotton and producer of cotton products. As stated, the power situation in the state of Tamil Nadu has played havoc with the working of most of the textile units of that state resulting in substantially lower than 50% capacity. This has resulted in most of the textile units performing badly. The hosiery industry is going through a transformation with most of the units in the unorganized sectors consolidating themselves. The advent of new international brand has also had an impact.

Internal Control systems and adequacy

The Company's internal control systems are commensurate with the size of the company and nature of its business. It has well documented policies and procedures ensuring that all assets are safeguarded and protected against loss from unauthorized use or disposition, reducing wastage thereby ensuring accuracy and reliability of its financial information. The Board has also constituted an Audit Committee which meets periodically to review the financial performance and the internal control system. The Company has an internal audit system, in addition to the existing internal control procedure. The Company's internal control procedure are continuously reviewed to further extend and strengthen the same.

To further strengthen the Internal Audit process the company has appointed M/s. Sharp & Tannan Associates, Chartered Accountants, as an internal Auditor of the Company.

Human Resource Development

Your Company believes that skill development is a vital component for Human Resource Development. It's a continuous process with training, serving as an interface in the assimilation of knowledge and skills. The Company continues to lay emphasis in nurturing and strengthening the overall development of the Human Resources and has always been recognizing the man power as a vital tool in the Company's growth. The human resource of the company is characterized by its loyalty and long-term association. HRD efforts thrive to attract best talent in the industry and retain them by improving quality and competitiveness through performance management system, training and other motivational tools.

Cautionary statement

Statement made in Management Discussion and analysis describing the company's expectation or projection may be forward looking within the applicable laws. Actual results could differ materially from those expressed or implied with the changes in Government Regulation, slowdown in Economic growth, commodity prices etc being important factors which could make a difference in the company's operations.

AUDITORS' REPORT

To the Members,
Maxwell Industries Limited,

We have audited the attached Balance Sheet of Maxwell Industries Limited as at 31st March, 2010 and also Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto.

These financial statements, are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance, about whether the financial statements are free of material mis-statement. An audit includes examining, on test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company and according to information and explanations received by us, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in Paragraph (1) above, we report as follows:
 - a) We have obtained all the informations and explanations which, to the best of our knowledge and belief were necessary for the purposes of the audit.,
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.,
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.,
 - d) In our opinion, the Balance Sheet and Profit & Loss account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.
 - e) According to information and explanation given to us and on the basis of written representation from the Directors taken on record by the Board of the Directors, none of the Directors are disqualified as on 31st March, 2010 from being appointed as a Director under section 274 (1) (g) of the Companies Act, 1956.,
 - f) In our opinion and to the best of our information and according to explanations given to us, the accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view: -
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010.,
 - ii) In the case of Profit and Loss Account, of the profit of the Company for the year ended on that date.,
 - iii) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **Attar & Co.**
Firm Membership No - 112600W
Chartered Accountants

M.F. Attar
Proprietor
Membership No.: 34977
Place: Mumbai.
Dated: 28th May, 2010

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 of our report of even date.)

- 1) In respect of it's fixed assets:
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets.
 - b) Some of the Fixed Assets were physically verified by the Management during the year in accordance with program of verification, which in our opinion is reasonable. No material discrepancies were noticed on such physical verification.
 - c) In our opinion the Company has not disposed off substantial part of fixed assets during the year.
- 2) In respect of it's inventories:
 - a) As explained to us, inventory has been physically verified by the management at regular intervals during the year. 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 inventory followed by the Management are reasonable and adequate in relation to the size of Company and nature of its business.
 - c) On the basis of our examination of records of inventories, in our opinion, the Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification of inventory as compared to book records.
- 3) In respect of loan, secured or unsecured, taken from/granted to any Company, firm or other parties covered in register maintained u/s. 301 of the Companies Act, 1956.

According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies firms or others parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of the clause 4 (iii)(d), iii(e), (iii)(f) and (iii)(g) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit we have not observed any major weakness in internal control.
- 5) In respect of transactions covered u/s. 301 of the Companies Act, 1956:-
 - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that needed to be entered into the register maintained under Section 301 of Companies Act, 1956 have been so entered.
 - b) In our opinion, according to the information and explanations given to us, where such transactions are in excess of Rs. Five lacs in respect of any party during the year, the transactions have been made at prices which are prima facie reasonable having regard to prevailing market prices at the relevant time.
- 6) In our opinion, according to the information and explanations given to us, the Company has not accepted any deposits under the provisions of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed thereunder.
- 7) We are informed that the Company has an internal audit system in addition to the existing internal control procedure. However we are of the opinion that the same need to be further extended and strengthened to make the same commensurate with the size of the Company and nature of the business.
- 8) We have broadly reviewed the books of account maintained by the Company in respect of it's spinning mill, pursuant to the rules made by the Central Government, prescribing the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956. We are of the opinion that prima facie the prescribed accounts and records have been maintained and are being made. We have not however, made a detailed examination of the same with a view to determining whether they are accurate or complete.
- 9) In respect of statutory dues:-

According to the information and explanation given to us and records as produced and examined by us, in our opinion the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and protection Funds, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues which have not been deposited on account of any dispute excepting those mentioned hereunder :

Forum where the dispute is pending	Name of the Statute	Rs. In Lakhs	F.Y. to which the amounts relate to
High Court of Chennai	Central Sales Tax	12.91	1999-00
High Court of Chennai	Cotton Corporation Of India	33.83	2000-01
High Court of Chennai	Central Sales Tax	195.46	2001-02
Deputy Commercial Tax Office	Central Sales Tax	13.30	2001-02
Deputy Commercial Tax Office	Tamilnadu General Sales Tax	5.43	2001-02
High Court of Mumbai	Income Tax Act	1,157.49	1992-01
Comn of Income Tax appeal - Mumbai	Income Tax Act	82.48	2001-02
Comn of Income Tax appeal - Mumbai	Income Tax Act	4.39	2004-05
Comn of Income Tax appeal - Mumbai	Income Tax Act	39.93	2005-06

- 10) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or 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. The Company has not issued debentures that were outstanding during the year.
- 12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The provisions of any special statute applicable to chit fund, nidhi, mutual benefit fund, societies are not applicable to the Company.
- 14) In our opinion the Company is not a dealer or trader in shares, securities, debentures and other investments.
- 15) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- 16) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were prima facie applied by the Company during the year for the purpose for which the loan was obtained.
- 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 funds raised on short term basis have prima facie not been used during the year for long term investment and vice versa. There are no personal expenses of employees or Directors that have been charged to revenue account, other than those payable under contractual obligations.
- 18) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s. 301 of the Companies Act, 1956, during the year.
- 19) According to the information and explanations given to us, and the records examined by us, the Company has not issued any debentures during the year.
- 20) The Company has not raised any money by way of public issue during the year.
- 21) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices, 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 course of our Audit.

For **Attar & Co.**

Firm Membership No - 112600W
Chartered Accountants

M.F. Attar

Proprietor

Membership No.: 34977

Place: Mumbai.

Dated: 28th May,2010

ACCOUNTING POLICIES

A) Basis of preparation of financial statements:

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and comply with the mandatory accounting standards and statements issued by the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 1956.

All amounts in the financial statements are presented in Rupees in lakhs except earning per share data or as otherwise stated. Figures for the previous year have been regrouped /rearranged wherever considered necessary to conform to the figures presented in the current year.

B) Fixed assets and depreciation

- 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 bring the assets to its working condition.
- ii) Buildings, Plant & Machinery (except assets which are 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. Assets costing less than Rs. 5000/- 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.

C) 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.

D) Foreign Currency Transactions:

- i) Initial Recognition.
Transactions in foreign currencies are recorded in the reporting currency, by applying to the foreign currency the exchange rate between the reporting currency and the foreign currency on 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.

E) Inventories :

- i) Cost of Inventories have 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 weighted average method, except in case of slow moving and obsolete material, which are valued at lower of cost or estimated realizable value.
- iii) Work-in-progress and finished goods are valued at lower of cost or realizable value.
- iv) Scrap is valued at estimated realizable value.
- v) Goods in transit are stated at actual cost.

F) Revenue recognition

- i) Revenue from sale of products are recognized on dispatch of goods, but net of incentives on sales including rebates & discounts.
- ii) Revenue from sale of scrap, interest subsidy on SIDBI TUFF loan is accounted on cash basis.
- iii) Income from Interest is recognized in the year in which it is accrued and stated at gross of tax deducted at source.
- iv) Rental income, from hiring of facilities is accounted in accordance with the terms and conditions agreed with the customer.
- v) Dividend is recognized when the right to receive the dividend is unconditionally established on the Balance Sheet date.

G) Borrowing cost

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 be put 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.

H) Miscellaneous Expenditure (to the extent not written off or adjusted)

The balance under the head Miscellaneous Expenditure (to the extent not written off or adjusted) comprises of Advertisement & publicity expenses and preliminary expenses which are amortized over a period of 5 years.

I) Income Taxes

Tax expenses comprise of current, deferred and fringe benefit tax.

- i) Current Income tax is determined based on the amount of tax payable in respect of taxable income for the year.
- ii) 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 at 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 which such which deferred tax assets can be realized.

J) 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.

Balance Sheet as at 31st March, 2010

(Rupees in Lakhs)

	Schedules	31.03.2010	31.03.2009
I. Sources of Funds			
Shareholders' Funds			
Share Capital	1	3,696.54	3,696.54
Reserves and Surplus	2	7,360.09	7,143.23
Loan Funds			
Secured Loans	3	6,853.99	6,106.41
Unsecured Loans	4	549.71	639.56
Deferred Tax Liability		1,100.07	1,063.98
		19,560.40	18,649.72
II. Application of Funds			
Fixed Assets			
Gross Block	5	13,430.41	13,388.67
Less : Depreciation		5,838.71	5,461.04
Net Block		7,591.70	7,927.63
Capital work-in progress		619.82	0.00
Investments	6	1.19	1.22
Current Assets, Loans and Advances			
Inventories	7	8,857.28	7,340.35
Sundry Debtors	8	5,606.23	5,753.17
Cash and Bank Balances	9	245.62	260.63
Loans and Advances	10	823.86	945.43
		15,532.99	14,299.58
Less : Current Liabilities and Provisions			
Current Liabilities	11	3,433.84	2,857.14
Provisions		765.47	759.08
		4,199.31	3,616.22
Net Current Assets		11,333.68	10,683.36
Miscellaneous Expenditure (To the extent not written off or adjusted)	12	14.01	37.51
		19,560.40	18,649.72

As per our report of even date
For Attar & Co.
 Firm Membership No - 112600W
 Chartered Accountants

For and on behalf of the Board

M. F. Attar
 Proprietor
 Membership No.: 34977
 Place: Mumbai.
 Dated: 28th May, 2010

R. Venkataraman
 Vice President-Finance
 & Company Secretary

Sunil J. Pathare
 Vice Chairman &
 Managing Director

Jaykumar K. Pathare
 Chairman

Kapil J. Pathare
 Whole Time Director

Profit and Loss Account for the year ended on 31st March, 2010

(Rupees in Lakhs)

Schedules	31.03.2010	31.03.2009
Income		
Sales	21,139.02	19,189.65
Increase / (Decrease) in Stocks	828.93	420.27
Other Income	303.42	207.62
	22,271.37	19,817.54
Expenses		
Cost of goods Consumed / Sold	11,385.10	10,551.43
Employees Remuneration and Benefits	993.44	969.98
Managerial Remuneration	119.31	123.44
Manufacturing and Other Expenses	5,455.35	4,375.94
Selling and Distribution Expenses	1,087.86	737.30
Advertisement Expenses	568.06	661.82
Interest	1,136.32	829.20
Deferred Expenses written off	23.51	23.51
Depreciation	435.15	442.84
	21,204.10	18,715.46
Profit Before Tax	1,067.27	1,102.08
Less : Provision for Taxation - Current Tax	(329.28)	(316.42)
- Deferred Tax	(36.07)	(58.16)
- Fringe Benefit Tax	0.00	(19.01)
Profit After Tax	701.92	708.49
Add/(Less) : Tax Adjustment for earlier years	(48.87)	(61.64)
	653.05	646.85
Add : Surplus brought forward	454.69	294.49
	1,107.74	941.34
Appropriations		
Transfer to General Reserve	71.00	49.00
Proposed Dividend		
Preference Share Capital	121.75	121.75
Equity Share Capital	252.31	252.31
Corporate dividend tax	62.13	63.59
	507.19	486.65
Balance Carried to Balance Sheet	600.55	454.69
Basic and Diluted EPS (in Rs.) (F.V. Rs. 2/-)	0.81	0.80

Notes to Accounts and Additional Information

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As per our report of even date
For Attar & Co.
 Firm Membership No - 112600W
 Chartered Accountants

For and on behalf of the the Board

Jaykumar K. Pathare
 Chairman

M. F. Attar
 Proprietor
 Membership No.: 34977
 Place: Mumbai.
 Dated: 28th May, 2010

R. Venkataraman
 Vice President-Finance
 & Company Secretary

Sunil J. Pathare
 Vice Chairman &
 Managing Director

Kapil J. Pathare
 Whole Time Director

Cash Flow Statement for the year ended on 31st March, 2010

(Rupees in Lakhs)

	31.03.2010	31.03.2009
A. Cash Flow From Operations		
Net Profit before Tax & Extraordinary Items	1,067.27	1,102.08
Add :		
Depreciation	435.15	442.84
Preliminary Expenses	23.51	23.51
Interest	1,136.32	829.20
(Profit)/Loss on Sale of Assets (Net)	4.51	11.72
Insurance Claim	(3.42)	(6.03)
Other Income	(144.64)	(96.16)
Interest Received	(19.97)	(20.42)
Rent Received	(21.60)	(0.75)
Duty Drawback	(112.54)	(83.64)
	1,297.32	1,100.27
Operating Profit before Working Capital Changes	2,364.59	2,202.35
Adjusted for :		
(Increase)/Decrease in Trade Receivables	146.94	1,003.25
(Increase)/Decrease in Inventories	(1516.93)	(278.89)
(Increase)/Decrease in Other Receivables	68.33	(207.03)
Increase/(Decrease) in Trade Payables	515.93	(717.85)
Increase/(Decrease) in Other Liabilities	59.06	(25.10)
(Increase)/Decrease in Working Capital	(726.67)	(225.62)
Cash Generated from Operations	1,637.92	1976.73
Less :		
Direct Tax Refunds	5.85	0.00
Direct Taxes Paid	(322.92)	(420.54)
Net cash before extraordinary items	1,320.85	1,556.19
Extraordinary items		
Insurance Claim	3.42	6.03
Duty Drawback	112.54	83.64
Net cash provided by operating activity	(A) 1,436.81	1,645.86
B. Cash Flow from Investing Activity		
Purchase of Fixed Assets	(135.27)	(88.62)
Capital work-in progress	(619.82)	0.00
Sale of Fixed Assets	31.53	1.37
Sale of Investments	0.03	0.23
Interest Received	19.97	20.42
Rent Received	21.60	0.75
Other Income	144.64	96.16
Net cash provided by investment activity	(B) (537.32)	30.31

Cash Flow Statement for the year ended on 31st March, 2010

(Rupees in Lakhs)

	31.03.2010	31.03.2009
C. Cash Flow from Financing		
(Repayments) / Proceeds from Borrowing	657.74	(398.85)
Interest Paid	(1136.32)	(829.20)
Dividend paid (Equity & Preference)	(372.32)	(396.94)
Dividend Tax Paid	(63.59)	(68.95)
Net cash provided by finance activity	(914.49)	(1,693.94)
Net Increase in Cash & Cash Equivalents	(15.00)	(17.77)
Cash & Cash Equivalents at the beginning of the year	260.62	278.39
Cash & Cash Equivalents at the end of the year	245.62	260.62

As per our report of even date
For Attar & Co.
 Firm Membership No - 112600W
 Chartered Accountants

For and on behalf of the Board

Jaykumar K. Pathare
 Chairman

M. F. Attar
 Proprietor
 Membership No.: 34977
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R. Venkataraman
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Sunil J. Pathare
 Vice Chairman &
 Managing Director

Kapil J. Pathare
 Whole Time Director

Schedules to the accounts for the year ended on 31st March, 2010

(Rupees in Lakhs)

	31.03.2010	31.03.2009
SCHEDULE '1' SHARE CAPITAL		
Authorised		
Equity :		
15,00,00,000 Ordinary Shares of Rs. 2/- each	3,000.00	3,000.00
Preference :		
45,00,000 Preference Shares of Rs. 100/- each	4,500.00	4,500.00
	7,500.00	7,500.00
Issued, Subscribed and Paid up :		
6,30,77,215 Ordinary Shares of Rs. 2/- each fully paid up	1,261.54	1,261.54
5%, 24,35,000 Redeemable Preference Shares of Rs. 100/- each fully paid up	2,435.00	2,435.00
Note :		
i. 3,57,50,000 Ordinary Shares of Rs. 2/- each allotted as fully paid Bonus Shares by way of Capitalisation of Share Premium.		
ii. The Company has allotted 5%, 2435000 Redeemable Preference Shares of Rs 100/- each on 1 st February,2006, Redeemable after 31.10.2016 with an option to the Company to Redeem it at the end of 8 th , 9 th & 10 th year in Three equal instalments of Rs.811.66 lakhs each i.e, Redeemable on 31.01.2014,31.01.2015 & 31.01.2016.		
	3,696.54	3,696.54
SCHEDULE '2' RESERVES AND SURPLUS		
Securities Premium Account		
As per last Balance Sheet	3,859.54	3,859.54
	(A) 3,859.54	3,859.54
General Reserve		
As per last Balance Sheet	1,229.00	1,180.00
Add : Transferred from Profit & Loss account	71.00	49.00
	(B) 1,300.00	1,229.00
Capital Redemption Reserve Account		
As per last Balance Sheet	1,600.00	1,600.00
Add:- Transferred from Profit and Loss account	0.00	0.00
	(C) 1,600.00	1,600.00
Profit and Loss Account		
	(D) 600.55	454.69
	(A+B+C+D) 7,360.09	7,143.23
SCHEDULE '3' SECURED LOANS		
a) Term Loans	1,821.24	1,652.75
b) Cash Credit	5,032.75	4,453.66
(Refer note no.1&2)	6,853.99	6,106.41
SCHEDULE '4' UNSECURED LOANS		
Security Advances	269.84	276.27
Deferred Sales Tax Loan	271.33	330.13
Loan from others	8.54	33.16
	549.71	639.56

Schedules to the accounts for the year ended on 31st March, 2010

SCHEDULE '5' FIXED ASSETS

(Rupees in Lakhs)

Name of the Asset	Gross Block				Depreciation Block				Net Block	
	Op.Bal 01.04.09	Additions	Deductions	Total 31.03.10	Op. Bal 01.04.09	Depre- ciation for the year	Deduc- tions/ Adjsut- ments	Total 31.03.10	As at 31.03.10	As at 31.03.09
Goodwill & Other Rights on Acquisition	1,258.21	0.00	0.00	1,258.21	0.00	0.00	0.00	0.00	1,258.21	1,258.21
Land	301.56	7.16	1.03	307.69	0.00	0.00	0.00	0.00	307.69	301.56
Buildings	429.14	4.90	29.10	404.94	82.91	7.40	7.50	82.81	322.13	346.23
Factory Buildings	2,895.33	2.53	0.00	2,897.86	445.03	75.37	0.00	520.40	2,377.46	2,450.30
Furniture & Fixtures	266.39	8.16	11.31	263.24	122.72	15.79	9.71	128.80	134.44	143.67
Office Equipments	94.13	4.52	9.07	89.58	54.69	5.73	8.00	52.42	37.16	39.44
Plant & Machinery	7,226.56	84.95	35.38	7,276.13	4,126.62	287.04	24.69	4,388.97	2,887.16	3,099.94
Vehicles	198.19	7.59	1.91	203.87	70.62	18.09	1.86	86.85	117.02	127.57
Electrical Installations	502.55	3.45	1.35	504.65	392.19	9.36	1.35	400.20	104.45	110.36
Boilers	48.32	0.00	0.00	48.32	35.22	3.59	0.00	38.81	9.51	13.10
Effluent Treatment Plant	13.76	0.00	0.00	13.76	9.93	1.02	0.00	10.95	2.81	3.83
Computer Systems	154.53	12.01	4.38	162.16	121.11	11.76	4.37	128.50	33.66	33.42
Total	13,388.67	135.27	93.53	13,430.41	5,461.04	435.15	57.48	5,838.71	7,591.70	7,927.63
Previous Year	13,353.40	88.62	53.35	13,388.67	5,058.46	442.84	40.26	5,461.04	7,927.63	0.00

(Rupees in Lakhs)

	31.03.2010	31.03.2009
SCHEDULE '6' INVESTMENTS		
Long term - Quoted		
100 Shares in N. K. Industries Ltd. of Rs. 10 each at a premium of Rs. 30 each fully paid [Market Value of Rs. 0.02 (Previous Year Rs. 0.01)]	0.04	0.04
21,900 Shares in Kripa Chemicals Ltd. of Rs. 10 each [Market Value of Rs. 0.45 (Previous Year Rs. 0.45)]	5.48	5.48
	5.52	5.52
Less : Provision for Diminution in Value of Investments	5.48	5.48
	0.04	0.04
Government Securities (Deposited with Sales Tax Authorities)		
Kisan Vikas Patra	0.00	0.03
National Saving Certificate	1.15	1.15
	1.19	1.22
SCHEDULE '7' INVENTORIES		
(At cost or market value whichever is lower as certificate by the Management)		
Raw Materials	3,741.19	3,053.19
Work In Progress	2,144.97	1,759.79
Finished Goods	2,971.12	2,527.37
	8,857.28	7,340.35

Schedules to the accounts for the year ended on 31st March, 2010

(Rupees in Lakhs)

	31.03.2010	31.03.2009
SCHEDULE '8' SUNDRY DEBTORS		
Unsecured and considered good,		
(a) Outstanding for a period exceeding six months	899.63	920.40
(b) Others	4,706.60	4,832.77
	5,606.23	5,753.17
SCHEDULE '9' CASH AND BANK BALANCES		
Cash on hand	0.26	4.75
Balances with Scheduled Banks		
On Fixed Deposit Account	18.31	88.59
On Current Account	210.16	152.12
On Unclaimed Dividend Account (As per Contra)	16.89	15.17
	245.62	260.63
SCHEDULE '10' LOANS AND ADVANCES		
(Unsecured and considered good)		
Sundry Deposits	196.64	194.04
Other Advances	627.22	751.39
	823.86	945.43
SCHEDULE '11' CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors	3,416.95	2,841.97
Unclaimed Dividend (As per Contra)	16.89	15.17
	(A) 3,433.84	2,857.14
Provisions		
Provision for Income Tax and Fringe benefit Tax	329.28	321.43
Proposed Dividend - Preference Share Capital	121.75	121.75
- Equity Share Capital	252.31	252.31
Corporate Dividend Tax	62.13	63.59
	(B) 765.47	759.08
	(A+B) 4,199.31	3,616.22
SCHEDULE '12' MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary Expenses	14.01	37.51
	14.01	37.51
SCHEDULE '13' INCREASE / DECREASE IN STOCKS		
Closing Stocks		
Work in Progress	2,144.97	1,759.79
Finished Goods	2,971.12	2,527.37
	(A) 5,116.09	4,287.16
Less : Opening Stocks		
Work in Progress	1,759.79	1,348.83
Finished Goods	2,527.37	2,518.06
	(B) 4,287.16	3,866.89
	(A-B) 828.93	420.27

Schedules to the accounts for the year ended on 31st March, 2010

(Rupees in Lakhs)

	31.03.2010	31.03.2009
SCHEDULE '14' OTHER INCOME		
Interest	19.97	20.42
Rent	21.60	0.75
Profit on Sale of Assets	1.25	0.62
Duty Drawbacks	112.54	83.64
Insurance Claim	3.42	6.03
Others	144.64	96.16
	303.42	207.62
SCHEDULE '15' COST OF GOODS CONSUMED / SOLD		
Opening Stock	3,053.19	3,194.57
Add : Purchases	12,073.10	10,410.05
	15,126.29	13,604.62
Less : Closing Stock	3,741.19	3,053.19
	11,385.10	10,551.43
SCHEDULE '16' EMPLOYEES REMUNERATION AND BENEFITS		
Salaries, Wages & Bonus	740.37	747.96
Contribution to Provident and other funds	81.06	80.01
Welfare Expenses	148.51	92.68
Gratuity Benefits	23.50	49.33
	993.44	969.98
SCHEDULE '17' MANUFACTURING AND OTHER EXPENSES		
Processing and Labour Charges	4,187.00	3,259.76
Rent	116.27	105.72
Rates & Taxes	89.75	11.46
Insurance	38.36	57.41
Electricity Charges	17.41	15.50
Legal and Professional Charges	116.52	110.17
General Expenses	97.24	93.67
Motor Car Expenses	60.23	47.66
Conveyance Expenses	19.80	18.04
Travelling Expenses	206.69	194.38
Printing & Stationery	30.96	28.43
Postage & Telephone	69.05	56.54
Repairs & Maintenance		
- Building	4.06	10.04
- Machinery	54.82	39.89
- Others	86.46	70.55
Bank Charges	121.60	132.46
Exchange Loss	124.56	102.93
Loss on Sale / Discard of Assets	5.75	12.34
Audit Fees	8.82	8.99
	5,455.35	4,375.94
SCHEDULE '18' SELLING AND DISTRIBUTION EXPENSES		
Freight, Delivery etc.	514.55	389.16
Sales Tax and Other Overheads	195.07	148.68
Bad- Debts written off	180.32	104.76
Sales promotion expenses	197.92	94.70
	1,087.86	737.30
SCHEDULE '19' INTEREST		
Bank	1,025.94	648.76
Term Loan	91.35	155.33
Others	19.03	25.11
	1,136.32	829.20

Maxwell Industries Ltd.

1. a) Working Capital borrowing from bank are secured by hypothecation of Company's entire stock of raw materials (imported and indigenous), stocks in process, finished goods and goods in transit covered by documents of title to goods, book debts and further collaterally secured by way of first charge on land and building, plant and machinery, furniture & fixture and electrical equipments of the Company's units at TTC Turbhe (Navi Mumbai), Gobichettipalayam (Tamil Nadu) and Equitable Mortgage of land at Edayarpalayam (Tamil Nadu), Umbergaon (Gujarat) and Perundurai, Tamil Nadu.
 - b. Short Term (Working Capital) Loan taken from IDBI Bank Limited are secured by way of sub-serivent charge on Stock and Book Debts of the Company.
 - c. Term loan from Barclays Bank is secured by way of first charge on land and building, plant and machinery, furniture and fixture and electrical equipments of the Company's units at Thingalur (Tamil Nadu), Daman (Kanchigam) and by way of personal guarantees of Promoter Directors.
2. Cash Credit loan from State Bank of India of Rs. 5032.75 lakhs outstanding as on 31.03.2010.
3. i) Payment against suppliers from small scale and ancillary undertaking are generally made in accordance with agreed credit terms.
 - ii) The Company has not received any intimation from "Suppliers" regarding the status under the Micro, Small and Medium Enterprises Development Act, 2006 & hence disclosures if any relating to amounts paid as at year end together with interest paid / payable as required under the said Act have not been given.
4. In the opinion of the Company, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of the business.
 5. Sundry Debtors and Sundry Creditors balances are subject to confirmation.

As per our Report of even date
For Attar & Co.
 Firm Membership No - 112600W
 Chartered Accountants

For and on behalf of the Board

Jaykumar K. Pathare,
 Chairman.

M. F. Attar
 Proprietor
 Membership No.: 34977
 Place: Mumbai.
 Dated: 28th May, 2010

R. Venkataraman
 Vice President-Finance
 & Company Secretary

Sunil J. Pathare
 Vice Chairman &
 Managing Director

Kapil J. Pathare
 Whole Time Director

ACCOUNTING STANDARD DISCLOSURES (Issued by Institute of Chartered Accountants of India)**6. AS 10 - ACCOUNTING FOR FIXED ASSETS:**

The Company Assets are capitalized on the date they were ready and put to use for commercial production. Depreciation on these assets under the Companies Act and Income Tax Act have been calculated accordingly.

7. AS-15 - EMPLOYEES BENEFIT:

The Company has classified the various benefits provided to employees as under:

Defined Contribution Plans:

The Company has recognized the following amounts in the Profit and Loss Accounts which are included under contribution to the Provident Fund and Other Funds:

Rupees in Lakhs

Particulars	31.03.2010	31.03.2009
Provident Fund & Employee Pension Scheme	81.06	80.01

Company employees are covered by the contribution of the company to Provident Fund Scheme and Employees Family Pension Schemes

DEFINED BENEFIT PLANS

Rupees in Lakhs

Particulars	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Gratuity	Gratuity	Leave Encashment	Leave Encashment
Current service cost	9.78	7.30	9.29	8.18
Interest cost	7.25	6.75	3.26	1.90
Expected return on plan assets	-9.38	7.92	0.00	0.00
Net Actuarial (gain) / loss to be recognized	6.92	-7.81	4.04	9.75
Total expenses recognized in the statement of Profit & Loss Account	14.57	14.16	16.59	19.83
Actual Contribution & Benefit Payments				
Actual Benefit Payments	0.00	0.00	5.15	2.56
Actual Contribution	14.41	6.83	0.00	0.00
Net Asset / (Liability) recognized in Balance Sheet				
Liability at the end of the year	114.45	90.58	45.49	34.05
Fair value of plan assets at the end of the year	124.85	101.15	0.00	0.00
(Net Asset) / Liability recognized in the Balance Sheet	-10.40	-10.57	45.49	34.05
Change in Defined Benefit Obligations (D.B.O.)				
Present value of D.B.O. at Beginning of Year	90.58	84.34	-	-
Interest Cost	7.25	6.75	-	-
Current Service Cost	9.78	7.30	-	-
Benefits Paid	-0.09	0	-	-
Actuarial (Gain) / Losses on Obligations	6.92	-7.81	-	-
Present Value of D.B.O. at the End of Year	114.45	90.58	-	-
Change in Fair Value of Plan Assets during the year				
Planned assets at Beginning of the year	101.15	86.40	-	-
Expected return on planned assets	9.38	7.92	-	-
Contributions	14.41	6.83	-	-
Benefit paid	-0.09	0	-	-
Actuarial gain / (loss) on plan assets	-	-	-	-
Fair value of plan assets at the end of the year	124.85	101.15	-	-
Defined benefit plan - Gratuity Assumptions				
Discount rate	8%	8%	8.25%	8%
Salary Escalation Rate	4%	4%	4%	4%
Rate of return on plan assets	8%	8%	8%	8%

8. AS-17 - SEGMENT REPORTING:

The segments are identified based on the dominant source and nature of risks and returns and the internal organization and management structure. Inter segment revenue is accounted on the basis of transactions which are primarily market led. Unallocated Corporate Expenses include revenue and expenses which relate to the enterprise as a whole and are not attributable to the segments.

Rupees in Lakhs

Sr. No.	Particulars	2009-10	2008-09
1	Segment Revenue		
	a) Hosiery and Others	20316.98	18550.82
	b) Spinning Mill	3084.32	2490.79
	Total	23401.30	21041.61
	Less:		
	Inter Segment revenue	2262.28	1851.96
	Sales / Income form Operations	21139.02	19189.65
2	Segment Results		
	[Profit / (Loss)before tax and interest from each segment]		
	a) Hosiery and Others	2960.43	2725.91
	b) Spinning Mill	85.69	17.36
	Total	3046.12	2743.27
	Less:		
	i) Interest	1136.33	829.20
	ii)Other un-allocable expenditure net unallocable income	842.52	811.99
	Total Profit Before Tax	1067.27	1102.08
3	Capital Employed (Segment Asset- Segment Liabilities) (Based on estimates in terms of available data)		
	a) Hosiery and Others	17124.42	16455.87
	b) Spinning Mill	1321.94	1067.81

9. AS 18 RELATED PARTY:

A. List of Related Parties with whom the Company undertook transactions;

- Group Concerns:** VIP Overseas Marketing Pvt. Ltd., Hybo Hindustan, Pako Hindustan, Pats Treasure, Maxwell Entertainment Pvt. Ltd.
- Directors and other members of Promoter Group:** Shri Jaykumar K. Pathare, Shri Sunil J. Pathare, Smt Lalita J. Pathare, Shri Kapil J. Pathare, Shri Jaykumar K. Pathare HUF.

B. Details of transactions are as follows;

Rupees in Lakhs

Sr. No.	Type of Transaction	2009-10	2008-09
1	Sales to and recoveries	68.27	221.16
2	Purchases from and payments	446.10	219.87
3	Remuneration / Sitting Fees to Directors	99.58	87.05

C. Outstanding balances**Rupees in Lakhs**

Sr. No.	Type of Transaction	2009-10	2008-09
1	Dues to Company	659.94	594.75
2	Payable by Company	253.76	72.21

10. AS-20 EARNINGS PER SHARE (EPS):**Rupees in Lakhs**

Particulars	2009-10	2008-09
Net Profit After Tax	653.05	646.85
Less:-Preference Dividend (including tax thereon)	141.34	142.45
Profit Available to Equity Shareholders	511.71	504.40
Weighted average no. of equity shares for basic EPS (Nos)	63077215 Nos	63077215 Nos
Nominal Value of equity shares	Rs.2/-	Rs.2/-
Basic earnings per equity share	Rs.0.81	Rs.0.80

11. AS-22 - ACCOUNTING FOR TAXES ON INCOME:**Rupees in Lakhs**

Particulars	2009-10	2008-09
DEFERRED TAX LIABILITY:		
Difference between Book and Tax Depreciation	39.31	65.54
TOTAL DEFERRED TAX LIABILITY	39.31	65.54
DEFERRED TAX ASSETS:		
Preliminary Expenses	3.23	3.23
Others	0.00	4.15
TOTAL DEFERRED TAX ASSETS	3.23	7.38
NET DEFERRED TAX LIABILITY	36.07	58.16

12. AS-28-IMPAIRMENT OF ASSETS :

The Company's asset at TTC, Thane are in the process of being disposed off and are stated at realizable market value. As a cash generating unit the flows are expected to be positive over the useful life of the asset.

13. AS-29 PROVISIONS, 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. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Liabilities**Rupees in Lakhs**

Particulars	2009-10	2008-09
Guarantees given by Bank	35.05	33.94
Letter of Credits	458.03	274.39
Claims against the company not acknowledged as debts	33.83	0.00
Income Tax Liability in Appeal	1157.49	1157.49
Export obligations	196.52	381.86

14. Value of Imports on C.I.F. basis

Rupees in Lakhs

Particulars	2009-10	2008-09
Raw materials	127.40	411.21
Components and stores & Spares	3.88	3.18
Capital Goods	52.94	1.00

15. Expenditure in foreign currency

Rupees in Lakhs

Particulars	2009-10	2008-09
Travelling Expenses`	11.41	3.84
Commission on Export sales	0.00	12.41
Export Promotion	15.62	12.02
Quality Claim	0.00	4.00

16. Earnings in foreign currency

Rupees in Lakhs

Particulars	2009-10	2008-09
F.O.B value of exports	1295.56	1405.33

17. Remuneration to auditors

Rupees in Lakhs

Particulars	2009-10	2008-09
Audit Fees(including service tax)	8.27	8.43
Tax Audit(including of service tax)	0.55	0.56

18. Additional Information pursuant to the provisions of paragraphs 3 & 4 of Part II Schedule VI to the Companies Act, 1956.

Quantity/Value in Lakhs

Particulars	2009-10		2008-09	
	Quantity	Value	Quantity	Value
A) Licensed Capacity (Spinning Mill) Installed capacity (Spinning Mill)	26208 Spindles 26208 Spindles		26208 Spindles 26208 Spindles	
B) Quantitative information in respect of Sales & Closing Stocks (As certified by management)	Quantity	Value	Quantity	Value
i) Sales				
Hosiery (Boxes)	63.27	19023.36	60.78	16187.31
Yarn (Kgs)	5.85	822.04	6.38	638.83
Fabric (Kgs)	0.90	114.57	2.70	326.50
Socks (Pieces)	48.31	1048.99	49.64	999.13
Fabric other (Kgs.)	0.00	0.00	13.15	914.46
Elastics (Mtrs)	41.16	54.15	38.36	72.60
Others	0.00	75.91	0.00	50.82
Total		21139.02		19189.65
ii) Closing Stocks				
Hosiery (Boxes)	10.60	2971.12	10.25	2527.37
Raw Material :				
Socks (Pieces)	12.21	234.19	11.48	218.39
Yarn (Kgs)	3.41	657.46	2.30	337.74
Cotton (Kgs)	3.18	229.58	1.96	122.89
Fabric (Kgs.)	10.99	1808.29	13.37	1670.02
Elastics (Mtrs)	84.80	242.41	79.39	221.37
Packing Materials & Others	0.00	569.26	0.00	482.78
Work In Progress	0.00	2144.97	0.00	1759.79
Total		8857.28		7340.35
iii) Finished Goods Purchased				
Hosiery (Boxes)	11.51	1807.23	11.75	1614.53
Socks (Pieces)	23.94	288.87	21.04	257.05
Total		2096.10		1871.58

19. Raw Material Consumption(Included in Cost of Goods Sold)

Rupees in Lakhs

Particulars	2009-10		2008-09	
	Quantity	Value	Quantity	Value
Fabric / Yarn (Kgs)	114.62	5752.34	108.38	4567.57
Elastics (Mtrs)	382.21	372.33	569.11	300.22
Cotton (Kgs)	21.15	1669.66	22.10	1488.16
Packing Material	0.00	1090.71	0.00	1473.20
Others	0.00	404.76	0.00	773.28
Total		9289.80		8602.43

20 Break up of Raw Materials Consumed

Rupees in Lakhs

Particulars	2009 -10		2008 - 09	
	Percentage	Value	Percentage	Value
Imported	1.37	127.40	4.79	411.21
Indigenous	98.63	9,162.40	95.21	8191.22

21. Managerial remuneration Under Section 198 of the Companies Act, 1956 to the Managing Director & Whole time Director

Rupees in Lakhs

Particulars	2009-10	2008-09
a) Remuneration	97.03	101.35
b) Contribution to Provident and other funds	8.50	6.90
c) Perquisites	2.00	3.22
d) Commission	11.78	11.97
Total	119.31	123.44

22. Computation of Net Profit as per Sec 309(5) and Sec. 198 of the Companies Act.

Rupees in Lakhs

Particulars	2009-10		2008-09	
I) Profit before Tax as per P& L A/c		1067.27		1102.08
a) Depreciation as per books	435.15		442.84	
b) Directors Remuneration	99.03		83.06	
c) Directors Commission	11.78		11.97	
d) Loss on Sale of Fixed Assets-net	4.50	550.46	11.72	549.59
Total		1617.73		1651.67
iii) Less:				
a) Depreciation as per Sec. 350	435.15		442.84	
b) Loss on Sale of Fixed Assets as per Sec. 350	4.50	439.65	11.72	454.56
Total Net Profit u/s 198/349 of the Companies Act 1956 .		1178.08		1197.11
Commission to Managing Director & Whole Time Director @ 1% of the Net profit.		11.78		11.97

Previous Year's figures have been regrouped, reclassified and rearranged wherever necessary.

As per our report of even date
For Attar & Co.
 Firm Membership No - 112600W
 Chartered Accountants

For and on behalf of the Board

Jaykumar K. Pathare
 Chairman

M. F. Attar
 Proprietor
 Membership No.: 34977
 Place: Mumbai.
 Dated:28th May, 2010.

R. Venkataraman
 Vice President-Finance
 & Company Secretary

Sunil J. Pathare
 Vice Chairman &
 Managing Director

Kapil J. Pathare
 Whole Time Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I) REGISTRATION DETAILS

Registration No.	59804	State Code	11
Balance Sheet Date	31-03-2010		

II) CAPITAL RAISED DURING THE YEAR : (Amt. in Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS : (Amt. Rs. in thousands)

Total Liabilities	1956041	Total Assets	1956041
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Sources of Funds

Paid up Capital	369654	Reserves & Surplus	736009
Secured Loans	685399	Unsecured Loan	54971

Application of Funds

Net Fixed Assets	759170	Investments	119
Net Current Assets	1133368	Misc. Expenditure	1401
Accumulated Loss	NIL		

IV) PERFORMANCE OF COMPANY

Turnover	2113902	Total Expenditure	2120410
+Profit/-Loss before tax	106727	+Profit/-Loss after tax	70192
Earning per share	0.81	Dividend Rate	20%

V) GENERIC NAME OF TWO PRODUCTS / SERVICES OF COMPANY

(as per monetary items)

Item Code No. 600121.00

(ITC Code)

Product Description HOSIERY PRODUCTS

Item Code No. 510720.01

(ITC Code)

Product Description HOSIERY YARN

For Attar & Co

Firm Membership No - 112600W
Chartered AccountantsM.F. Attar,
Proprietor.
Membership No : 34977
Place: Mumbai
Dated : 28th May, 2010R. Venkataraman
Vice President-Finance
& Company SecretarySunil J. Pathare
Vice Chairman &
Managing Director

For and on behalf of the Board

Jaykumar K. Pathare
ChairmanKapil J. Pathare
Whole Time Director



Maxwell Industries Limited

Registered Office: C-6, Road No. 22, M.I.D.C., Andheri (East), Mumbai – 400093

PROXY FORM

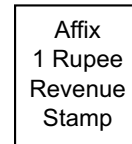
I/We being a member of the above named company, hereby appoint.....

or failing him..... of as my/our proxy to vote for me / us on my / our behalf at the TWENTIETH ANNUAL GENERAL MEETING of the Company to be held on Thursday the 12th August, 2010 at 11.00 am at "The All India Plastics Manufacturers' Association Auditorium, Plot No. A-52,Road No.1, Marol, Andheri (East), Mumbai -400093" and any adjournment therein.

Signed this.....,

Registered Folio / D.P. & Client I. D. No.

No. of Equity shares held



Member's Signature

Note :

- i) Proxy need not be a member.
ii) The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the schedule time of the aforesaid meeting.



Maxwell Industries Limited

Registered Office: C-6, Road No. 22, M.I.D.C., Andheri (East), Mumbai – 400093

ATTENDANCE SLIP

I hereby record my presence at the TWENTIETH ANNUAL GENERAL MEETING of the Company held on Thursday the 12th August, 2010 at 11.00 am "The All India Plastics Manufacturers' Association Auditorium, Plot No. A-52,Road No.1,Marol, Andheri (East), Mumbai -400093" and any adjournment therein.

Name:.....

Reference Folio / D.P. & Client I. D. No.

No. of Equity shares held.....

SIGNATURE OF THE ATTENDING MEMBER/PROXY

Note :

- i) Shareholder/ Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed and completed in Block letters.
ii) Shareholder/ Proxyholder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

