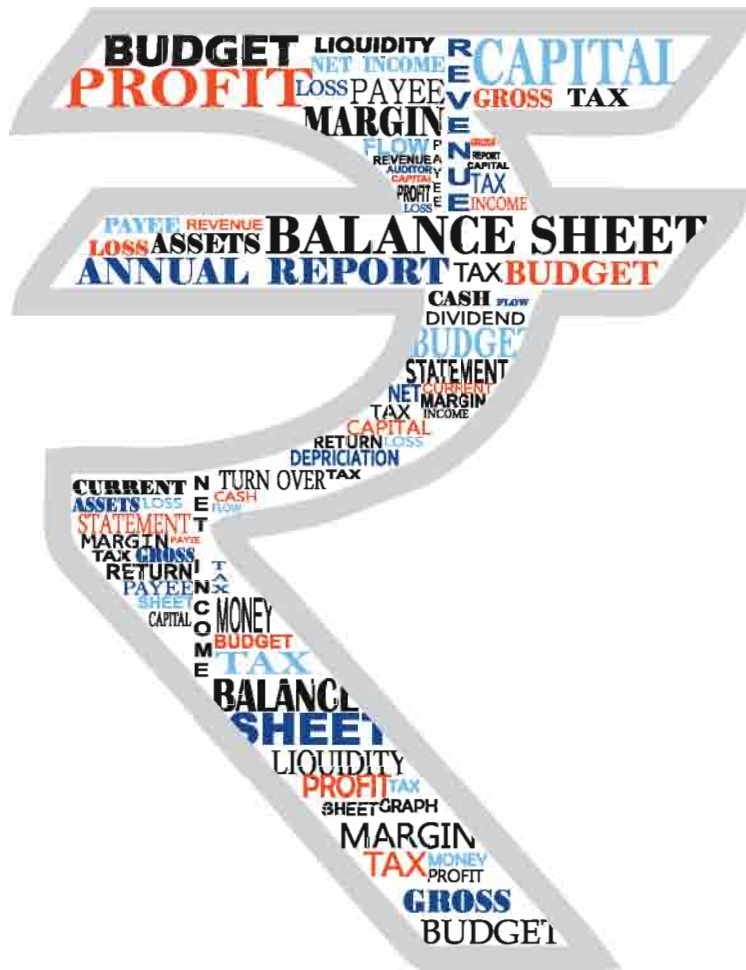


2014-2015

# ANNUAL REPORT

Maxwell

VIP *Eminence* LEADER *folly* Frenchie *inners*





Inners – the innerwear studio by Maxwell Industries Ltd. a Retail venture of the Company. It is a significant step by Maxwell into Retail segment. It is also addressing to loungewear needs of the people as a one step towards transforming from

only inner wear to Apparel & accessories brand. Inners showcase brands like VIP, Frenchie, Feelings, Eminence and Brat. The company has already opened 7 stores in 4 cities.

Company opened its first franchisee store in Bangalore recently in June 2015. It's a step towards creating new, unique and holistic product experience for consumers at the retail and intends to open many more stores across the country.



**Koperkhairane**



**Kalyan**



**Bheyandar**



**Udipi**



**Virar**



**Bellary**



**Bengaluru**

**& many more to come...**



**VIP**



VIP is a name to reckon with when it comes to innerwear. Every consumer will vouch for its quality & comfort. VIP has been conferred the status of a Superbrand, thanks to the unremitting support of the consumer and stakeholders.

The brand has maintained its tradition of quality in the innerwear and as part of its evolution, expanded its range in other categories like loungewear, thermals, socks & handkerchiefs. This has demonstrated, the brand's positioning as effectively catering to the needs of men's inner clothing and accessories as well as casual clothing.

#### Product Portfolio -

**Innerwear** : Vest  
Brief  
Trunk

**Lounger Wear** : T-Shirt  
Track Pant  
Muscle Tee  
Bermuda

#### Thermal Wear

**Accessories** : Socks  
Handkerchiefs





Savoir-faire d'exception depuis 1944

# Eminence

FRANCE



New era in Innerwear Industry was spelled in India with launch of Brand Eminence in premium men segment with alliance of 2 leaders of Innerwear industry Eminence S.A in France & Maxwell Industries Limited in India.

Eminence India has since then created its own space in the premium innerwear segment with its artistic yet trendy products whether it be neon color brief and trunks with outer elastic or inner elastic classic range.

Eminence started in the year 1944 in France, has earned its reputation as the leading No 1 brand in Men's Innerwear in key markets of France, Italy, Spain, Belgium and is now among top 5 brands in Women's Innerwear too in France, Italy, Belgium and ranked in the top quartile of most profitable companies.

Maxwell Industries Limited is the exclusive licensee of Eminence S.A of France for manufacturing and distribution of Eminence in India, Sri Lanka, Bangladesh and Nepal.

Continuing with its market expansion & portfolio expansion strategy, Eminence has made rapid strides by adding new markets across India. In the portfolio expansion, new range of stylish products in Men range and development of Eminence panties range were the highlights of the year. Eminence panties range and new products in men portfolio are set to hit the markets very soon. Addition of these new products has strengthened the Eminence portfolio significantly and the portfolio is now updated even to cater to the latest trends in the premium segment market. Eminence has been reminiscent of innovation across complete life cycle of product development & communication.

For the FY 2015-16 Eminence looks forward to the challenges in setting up its strong hold in premium segment and setting its feet firm in the panties segment of women innerwear. With revamped portfolio, brand looks forward to continue with the vigorous growth via focused approach in product placements to capture the rich niche of premium segments in India.



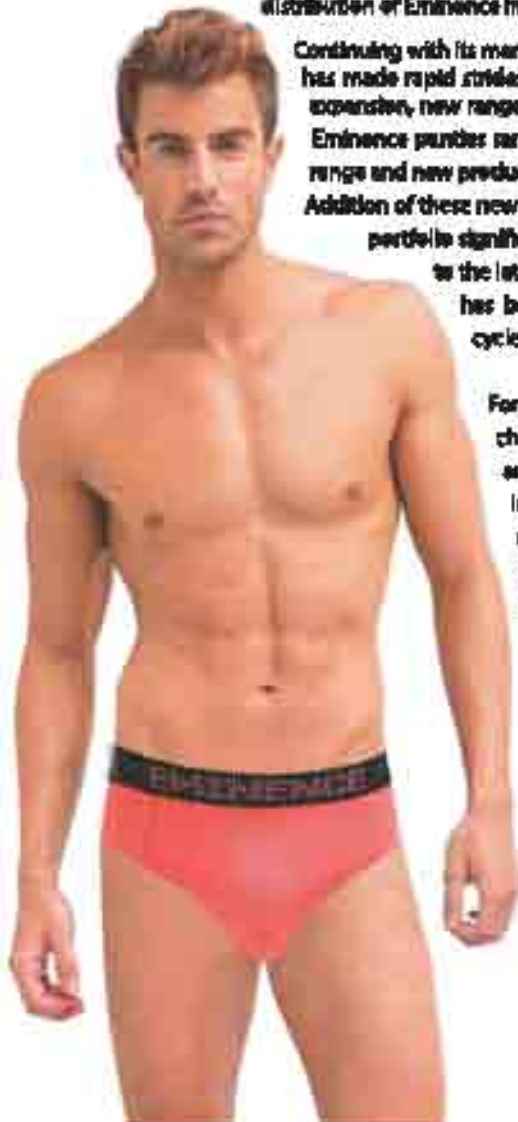
## Product Portfolio

### Eminence Men Collection

Brief  
Trunk  
Vest  
T-shirt  
Boxer Shorts  
Socks

### Eminence Panties

Bikinis  
Hipsters  
Barecuts



## 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	Independent Director
Gopal Sehjpal	Independent Director
Chetan Sheth	Independent Director
Robin Banerjee	Independent Director
Meher Castelino*	Independent Director *(w.e.f. 24.03.2015)

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

R. Venkataraman	(upto 06.06.2015)
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**Chief Financial Officer**

Ashish Mandaliya	(w.e.f. 06.06.2015)
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**Company Secretary**

Ashish Mandaliya

**Chief Finance Controller**

Devendra Vyas	(w.e.f. 30.05.2015)
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**Statutory Auditors**

M/s. Attar & Company  
Chartered Accountants

**Internal Auditors**

M/s. Sharp & Tannan Associates  
Chartered Accountants

**Bankers**

State Bank of India  
IDBI Bank Limited  
HDFC Bank Limited

**Plant Location**

Knitting Unit	: 360/13, Ganesh Industrial Estate, Village Kachigam, Nani Daman, Daman - 396210
Processing House	: 13-15, SIPCOT, Perundurai, Erode, Tamil Nadu - 638052
Stitching Units	: 92/94, New GIDC, Umbergaon, Gujarat - 396171
	: SF-125/126/127, Appachimarmadam, Thingalur, Erode, Tamil Nadu - 638055

**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

**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	..... 7
Corporate Governance	..... 24
Management Discussion & Analysis	..... 33
Auditors' Report	..... 34
Balance Sheet	..... 38
Statement of Profit & Loss	..... 39
Cash Flow Statement	..... 40
Notes to the Financial Statements	..... 42
Financial Highlights	..... 55

**25<sup>th</sup> ANNUAL GENERAL MEETING**

Day	: Saturday
Date	: 26 <sup>th</sup> September, 2015
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 - 400 093

## NOTICE

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of Maxwell Industries Limited will be held on Saturday, 26<sup>th</sup> day of September, 2015 at 11.00 a.m. at The All India Plastics 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 financial statement for the financial year ended on 31<sup>st</sup> March 2015, and the Reports of the Directors and Auditors thereon.
2. To declare a dividend on Preference Shares.
3. To declare a dividend on Equity Shares.
4. To appoint a Director in place of Mr. Sunil J. Pathare (DIN 00192182), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remunerations and in this regards, to consider and if thought fit, to pass 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., Chartered Accountants, (Registration No.112600W) be and are hereby appointed as Statutory Auditors of the Company, to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at such remunerations as may be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS:

#### 6. Appointment of Mrs. Meher Castelino (DIN 07121874) as an 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 Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Meher Castelino (DIN 07121874), who was appointed as an Additional Director of the Company with effect from 24<sup>th</sup> March, 2015 under Section 161(1) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years commencing from 24<sup>th</sup> March, 2015.

**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. To Alter the Articles of Association 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 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, a new set of Articles of Association of the Company, placed before the Members, be and is hereby adopted and substituted in place of the existing Articles of Association of the Company.

**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: 12<sup>th</sup> August, 2015

**Ashish Mandaliya**  
CFO & Company Secretary

Registered Office  
C-6, Road No. 22, MIDC  
Andheri (East), Mumbai – 400 093.  
CIN : L18101MH1991PLC059804  
E-mail : [investor.relations@viporg.com](mailto:investor.relations@viporg.com)

**NOTES:**

1. **A member entitled to attend and vote, at the Annual General Meeting (“the meeting”) is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy. However, such person shall not act as a proxy for any other person or shareholder.**
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 19<sup>th</sup> September, 2015 to Saturday, 26<sup>th</sup> September, 2015 (both days inclusive).
4. The Company will be transferring the unclaimed dividend for the financial year ended on 31<sup>st</sup> March, 2008 on or before 27<sup>th</sup> September, 2015. The Company had transferred the unclaimed dividend upto the financial year ended on 31<sup>st</sup> March, 2007 to the Investors Education and Protection Fund (IEPF) of the Central Government. The Members who have not claimed their dividend for the financial year 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 are requested to claim it from the Company immediately.
5. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate any change of address or bank mandate immediately 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 - 400 078.
6. Members who have not registered the e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc., from the Company with the Depository or with Registrar and Share Transfer Agents, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or Link Intime India Private Limited.
8. 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.
9. Members may be aware, that the Equity Shares of the Company have been sub-divided from one equity shares of ₹10/- each to 5 equity shares of ₹ 2/- each, in terms of Resolution passed by the Member of the Company at the Extra Ordinary General Meeting of the Company held on 1<sup>st</sup> February, 2006. The Members who are yet holding their share certificate of ₹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, Link Intime India Private Limited since the old Share Certificate of ₹10/- each are no longer tradable.
10. Members/Proxies are requested to bring the attendance slip duly filled in for attending the Meeting and copy of the Annual Report 2014-15. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting. In case of Joint Holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
11. Members are requested to note that in case of transfers, deletion of name of the deceased Members, 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.
12. Section 72 of the Companies Act, 2013, provides for **Nomination** by the Members of the Company in the prescribed forms which are available on the website of the Company “[www.maxwell.in](http://www.maxwell.in)”. Members are requested to avail this facility.
13. Members are requested to bring their valid photo ID proof at the time of the meeting.

**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 25<sup>th</sup> 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) The voting period begins on Wednesday, 23<sup>rd</sup> September, 2015 and ends on Friday, 25<sup>th</sup> September, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 19<sup>th</sup> September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated 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.  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 member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the relevant EVSN on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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 on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.



(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non-Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Please note that:**

1. The voting period begins on 23<sup>rd</sup> September, 2015 at 10.00 a.m. and ends on 25<sup>th</sup> September, 2015 at 5.00 p.m. During this period Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date which is 19<sup>th</sup> September, 2015 may cast their vote electronically. The voting rights of Members 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 25<sup>th</sup> September, 2015.
2. Mr. Rakesh Sanghani, Practising Company Secretary (Membership No. FCS 7647) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
3. The members would be able to cast their votes at the meeting through ballot paper if they have not availed the remote e-voting facility. If the vote is cast through remote e-voting facility then the members would not be permitted to exercise their voting right at the general meeting.
4. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days of conclusion of the meeting a consolidated scrutinizer's 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](http://www.maxwell.in) and on the website of CDSL and communicated to the Stock Exchanges.

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

Place: Mumbai  
Date: 12<sup>th</sup> August, 2015

**Ashish Mandaliya**  
CFO & Company Secretary

Registered Office  
C-6, Road No. 22, MIDC  
Andheri (East), Mumbai - 400 093.  
CIN : L18101MH1991PLC059804  
E-mail : [investor.relations@viporg.com](mailto:investor.relations@viporg.com)

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 6**

The Board of Directors of the Company had appointed Mrs. Meher Castelino as an Additional Director of the Company with effect from 24<sup>th</sup> March, 2015. In accordance with the provisions of Section 161 of the Companies Act, 2013, Mrs. Meher Castelino shall hold office up to the date of the forthcoming Annual General Meeting and is being eligible to be appointed as an Independent Director for the term upto five years. The Company has received notice under section 160 of the Companies Act, 2013 from Mrs. Meher Castelino signifying her candidature as an Independent Director of the Company.

A brief profile of Mrs. Meher Castelino, including nature of her expertise, is provided at page no. 25 of this Annual Report.

The Company has received a declaration of independence from Mrs. Meher Castelino. In the opinion of the Board, Mrs. Meher Castelino fulfils the conditions specified in the Companies Act, 2013 and the Equity Listing Agreement, for appointment as an Independent Director of the Company. A copy of the draft Letter of Appointment of Mrs. Meher Castelino, Independent Director, setting out terms and conditions of appointment of her as an Independent Director is available for inspection at the Registered Office of the Company during business hours on any working day and are also available on the website of the Company [www.maxwell.in](http://www.maxwell.in).

None of the Directors or Key Managerial Personnel and their relatives, except Mrs. Meher Castelino, is concerned or interested (financially or otherwise) in this Resolution. The Board recommends the Ordinary Resolution as set out in the Item No.6 for approval of the Members.

**Item No. 7**

The Members had approved the alteration of Articles of Association of the Company at its meeting held on 25<sup>th</sup> September, 2006 by incorporating the relevant clauses of the Share subscription cum shareholders agreement entered by the Company with Reliance Capital Partners on 19<sup>th</sup> May, 2006. Now, the Reliance Capital Partners had sold its entire Equity Shares in the Company thereby Share subscription cum shareholders agreement entered with Reliance Capital Partners ceases to be effective.

The new set of Articles of Association of the Company is to be adopted by incorporating the changes as per the Companies Act, 2013 so as to make it consistent with the provision of the Companies Act, 2013 including the rules framed thereunder.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the Registered office of the Company during the business hours on any working day, upto the date of the Annual General Meeting and during the Annual General Meeting. The proposed draft Articles of Association is available on Company website at [www.maxwell.in](http://www.maxwell.in) for perusal by the Members.

None of the Director or Key Managerial Personnel and relatives of the Company, are concerned or interested (financially or otherwise) in this Resolution.

The Board recommends the Special Resolution set out in Item no. 7 for the approval of Members.

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

Place: Mumbai  
Date: 12<sup>th</sup> August, 2015

**Ashish Mandaliya**  
CFO & Company Secretary

Registered Office  
C-6, Road No. 22, MIDC  
Andheri (East), Mumbai - 400 093.  
CIN : L18101MH1991PLC059804  
E-mail : [investor.relations@viporg.com](mailto:investor.relations@viporg.com)

## DIRECTORS' REPORT

To,  
**THE MEMBERS**  
**MAXWELL INDUSTRIES LTD.**

The Directors of your Company are pleased to present, the 25<sup>th</sup> Annual Report, on the working and the progress of the Company, along with audited financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2015 and Report of the Auditors thereon.

### 1. FINANCIAL RESULTS

	(₹ in Lakhs)	
	Current Year Ended 31/03/2015	Previous Year Ended 31/03/2014
Profit before Interest, Depreciation & Income Tax	2833.73	2426.87
Interest	(1254.21)	(1269.85)
Depreciation	(490.65)	(351.05)
Profit Before Tax	1088.87	805.97
Provision for Income Tax - Current	(385.55)	230.98
Provision for Income Tax - Deferred	12.89	(42.33)
Tax adjustment for previous year	(17.34)	-
Profits for the year	698.87	532.66

### 2. DIVIDEND

	Current Year Ended 31/03/2015	Previous Year Ended 31/03/2014
On 5% Redeemable Preference Shares	19.74	59.25
On Equity Shares	189.23	126.15

The Directors have recommended a dividend of 15% i.e. ₹ 0.30 (Thirty) paise per Equity Share of ₹ 2/- each and 5% i.e. ₹ 5/- (Five) per 5% Redeemable Preference Share of ₹ 100/- each for the financial year ended on 31<sup>st</sup> March, 2015. This Dividend of ₹ 208.97 Lakhs along with dividend distribution tax of ₹ 41.78 Lakhs will absorb ₹ 250.75 Lakhs.

### 3. OPERATIONS

During the year under review, the Company recorded a turnover of ₹ 26,110 Lakhs as against ₹ 25,742 Lakhs in the previous year, registering marginal growth of 1.42%. The Company had reorganised its organisational structure by converting functional based working system to Strategic Business Unit (SBU) by allocating various Brands to each SBU. The Company sees an opportunity to grow by focusing on each Brand by way of a SBU. The Company had realigned its product mix so as to focus on the high margin product and curtailing the low margin product.

The Net Profit Before Tax stood at ₹ 108.87 Lakhs as against ₹ 805.97 and Profit After Tax is stood at ₹ 698.87 Lakhs in the current year as against ₹ 532.66 Lakhs in the previous year. The Company benefited on account of reduction in yarn price and conservative approach on spending on advertisement.

### 4. TRANSFER TO RESERVE

During the year under review, your Company transferred ₹ 70 Lakhs to the General Reserve Account and ₹ 789.97 Lakhs to Capital Redemption Reserve Account, out of the amount available for appropriations and an amount of ₹ 481.81 Lakhs retained in the Profit & Loss Account.

### 5. SUBSIDIARY

Your Company does not have any Subsidiary Company.

### 6. FIXED DEPOSIT

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



## Maxwell Industries Ltd.

### 7. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchange, a separate section on Corporate Governance practice followed by the Company, together with the certificate from Company's Auditors confirming the compliance on Corporate Governance forms an integral part of this report.

### 8. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 as on 31<sup>st</sup> March, 2015, as required under Section 92 of the Companies Act, 2013, is included in this Report as Annexure - B.

### 9. NUMBER OF MEETING OF THE BOARD

The Board of Directors met 8 (Eight) times in the financial year 2014-15. The maximum interval between any two meetings did not exceed 120 days. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

### 10. WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company ([www.maxwell.in](http://www.maxwell.in)). The Audit Committee shall oversee the Vigil Mechanism.

### 11. NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The detailed of this policy is explained in Corporate Governance Report.

### 12. RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Equity Listing Agreement, your Company has formulated a Policy on Related Party Transactions. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review and approval and also the Company has developed Related Party Transactions framework through Standard Operating Procedures for the purpose of identification and monitoring of such transactions.

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that provisions of Section 188 of the Companies Act, 2013 are not attracted. There are no material related party transactions during the year under review with the promoters, Directors or Key Managerial Personnel.

### 13. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee was constituted by the Board of Directors of the Company at its meeting held on 23<sup>rd</sup> July, 2014. The CSR Policy of the Company and the details about the initiatives taken by the Company on Corporate Social Responsibility during the year are as per the annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as Annexure - C to this Report.

### 14. RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

Your Company has set up a Risk Management Committee in accordance with the requirements of Listing Agreement and framed the policy to monitor the risks and their mitigating actions.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by Statutory as well as Internal Auditor and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

### 15. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company strongly believes in providing a safe and harassment free workplace for each and every individual working for the Company through various interventions and practices. It is the continuous endeavour of the Management of the Company to create

and provide an environment to all its employees that is free from discrimination and harassment including sexual harassment.

Your Company has constituted Internal Complaints Committee (ICC).

During the year ended 31<sup>st</sup> March, 2015, no complaints pertaining to sexual harassment was received by the Committee.

## **16. DIRECTORS RESPONSIBILITY STATEMENT**

To the best of knowledge and belief and according to the information and explanation obtained by them your Directors make the following statement in term of Section 134(3)(c) of the Companies Act, 2013 that:

- (a) the preparation of the annual financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and 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 31<sup>st</sup> March, 2015 and of the profit of the Company for the year ended on 31<sup>st</sup> March, 2015;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual financial statement on a going concern basis; and
- (e) the Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **17. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

## **18. AUDITORS**

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

## **19. COST AUDITORS**

The Company had submitted Cost Audit Report for the financial year 2013-14 with the Ministry of Corporate Affairs. However, there has been no notification till date, covering our industry for the purpose of Cost Audit for the financial year 2014-15.

## **20. SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and Rule made thereunder, the Company has appointed Mr. Rakesh Sanghani, Practicing Company Secretary (C.P No.6302) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as Annexure - D and forms an integral part of this Report.

## **21. BOARD INDEPENDENCE**

Our definition of 'Independence' of Directors is derived from Clause 49 of the Listing Agreement with Stock Exchanges and Section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013:

1. Mr. Robin Banerjee
2. Mr. Gopal Sehjjal
3. Mr. Chetan Sheth
4. Dr. Arvind Kulkarni
5. Mrs. Meher Castelino

**22. STATUTORY INFORMATION**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Account) Rules, 2014 is given in Annexure - A to this report.

None of the Employees of the Company are in receipt of Rupees Sixty Lakhs per annum or Rupees Five Lakhs per month during the year under review. Accordingly, no particulars of Employees are given pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 and forming part of the Directors Report for the year ended 31<sup>st</sup> March, 2015 is given in a separate Annexure - B to this Report.

The above Annexure is not being sent along with this Report to the members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members interested in obtaining a copy of the annexure may write to the Company Secretary at the Company's Registered Office. The aforesaid annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before the 25<sup>th</sup> Annual General Meeting and upto the date of the ensuing Annual General Meeting during business hours on working days.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two per cent of the Equity Shares of the Company.

The Business Responsibility Reporting as required by Clause 55 of the Listing Agreement with the Stock Exchange is not applicable to your Company for the financial year ending 31<sup>st</sup> March, 2015.

**23. REDEMPTION OF 5% REDEEMABLE PREFERENCE SHARES**

The Company had redeemed its 1<sup>st</sup> trench of 3,94,984 - 5% Redeemable Preference Shares of ₹100/- each on 31<sup>st</sup> July, 2014 and 2<sup>nd</sup> trench of 3,94,984 on 31<sup>st</sup> January, 2015 and the last i.e 3<sup>rd</sup> trench will be redeemed on 31<sup>st</sup> January, 2016 as per the terms of issue and allotment of 5% Redeemable Preference Shares.

**24. ACKNOWLEDGEMENT**

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, BSE Limited, National Stock Exchange of India Limited, Members, Suppliers and Esteemed Customers of the Company.

**25. 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: 30<sup>th</sup> May, 2015

**J. K. Pathare**  
(Chairman)  
DIN: 00203211

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



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

Name of the Director	<b>Mr. Sunil J. Pathare</b>	<b>Mrs. Meher Castelino</b>
Date of Birth	17.07.1971	06.07.1944
Date of appointment	29.09.1992	24.03.2015
Qualification	B.Com	Graduate from Lawrence School from London
Shareholding in Maxwell Industries Limited	1,61,07,425	-
List of Directorship in other Companies	1. Maxwell Capital Management Pvt. Ltd. 2. Maxwell Venture Pvt. Ltd. 3. Maxwell Entertainment Pvt. Ltd. 4. Shogun Chemicals Pvt. Ltd. 5. Maxwell Retails Pvt. Ltd. 6. Maxwell Health & Hygiene Private Limited	-

**ANNEXURE - A**

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED 31ST MARCH, 2015.**

**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:

	<b>Year ended 31<sup>st</sup> March, 2015</b>	Year ended 31 <sup>st</sup> March, 2014
<b>Units Consumed (In Lakhs)</b>	<b>28.43</b>	29.44
<b>Units Consumed per kg. of Production</b>	<b>0.78</b>	0.73

**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 ₹ 1,901.34 lakhs (Previous year ₹ 1,808.34 lakhs) from exports during the year. The total amount of outgo on account of foreign exchange utilised by the Company amounted to ₹ 200.06 lakhs (Previous year ₹ 185.53 lakhs).

## ANNEXURE - B

## MGT – 9

## EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31.03.2015

(Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management &amp; Administration Rules, 2014)

## I. REGISTRATION &amp; OTHER DETAILS

1	CIN	L18101MH1991PLC059804
2	Registration Date	14 <sup>th</sup> January, 1991
3	Name of the Company	Maxwell Industries Limited
4	Category/ Sub-Category of the Company	Public Limited Company
5	Address of the Registered Office & Contact Details	C-6, Road No.22, MIDC, Andheri (East), Mumbai – 400 093, Maharashtra, Tel : 022-28257624/27/33, 40209000 Email: investor.relations@viporg.com Website: www.maxwell.in
6	Whether listed company	Yes
7	Name, Address & Contact details of the Registrar & Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), Mumbai – 400 078 Tel : 022-25946970/022 25963838 Fax : 022-25946969 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of Main Products	NIC Code of the Products/Services	% to total turnover of the Company
1	Hosiery Product	14309	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

There are no Holding, Subsidiary and Associate Companies.

## IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

## i) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual/HUF	40097868	-	40097868	63.57	40097868	-	40097868	63.57	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Subtotal (A)(1) :</b>	<b>40097868</b>	<b>-</b>	<b>40097868</b>	<b>63.57</b>	<b>40097868</b>	<b>-</b>	<b>40097868</b>	<b>63.57</b>	<b>-</b>

## Maxwell Industries Ltd.

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2) Foreign</b>									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2) :</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>40097868</b>	-	<b>40097868</b>	<b>63.57</b>	<b>40097868</b>	-	<b>40097868</b>	<b>63.57</b>	-
<b>B. Public Shareholding</b>									
<b>1) Institutions</b>									
a) Mutual Funds/UTI	875	-	875	-	875	-	875	-	-
b) Banks/FI	-	-	-	-	23666	-	23666	0.04	0.04
c) Central Govt(s)	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	212973	-	212973	0.34	162973	-	162973	0.26	-0.08
i) Funds Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1) :-</b>	<b>213848</b>	-	<b>213848</b>	<b>0.34</b>	<b>187514</b>	-	<b>187514</b>	<b>0.3</b>	<b>-0.04</b>
<b>2) Non-Institutions</b>									
a) Bodies Corp.	11397170	386308	11783478	18.68	7843347	386308	8229655	13.05	-5.63
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 Lakh	7755521	1176977	8932498	14.16	8187023	1119379	9306402	14.75	0.59
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	1158807	341250	1500057	2.38	3879666	341250	4220916	6.69	4.31
c) Others (specify)									
i) Clearing Members	190249	-	190249	0.30	635635	-	635635	1.01	0.71
ii) Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) a) Non Resident Indians (Repatriable)	168740	8750	177490	0.28	153339	8750	162089	0.26	-0.02
iii) b) Non Resident Indians (Non-Repatriable)	181227	-	181227	0.29	235136	-	235136	0.37	0.09
Trust	500	-	500	-	2000	-	2000	-	-
<b>Sub-total (B)(2) :</b>	<b>20852214</b>	<b>1913285</b>	<b>22765499</b>	<b>36.09</b>	<b>20936146</b>	<b>1855687</b>	<b>22791833</b>	<b>36.13</b>	<b>0.04</b>
<b>Total shareholding of Promoter (B)=(B)(1)+(B)(2)</b>	<b>21066062</b>	<b>1913285</b>	<b>22979347</b>	<b>36.43</b>	<b>21123660</b>	<b>1855687</b>	<b>22979347</b>	<b>36.43</b>	-
<b>c) Shares held by custodians for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>61163930</b>	<b>1913285</b>	<b>63077215</b>	<b>100</b>	<b>61221528</b>	<b>1855687</b>	<b>63077215</b>	<b>100</b>	-



## ii) Shareholding of Promoters

Sr No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Sunil J. Pathare	16107425	25.54	-	16107425	25.54	-	-
2	Kapil J. Pathare	11684465	18.52	-	11684465	18.52	-	-
3	Jaykumar K. Pathare	5424125	8.60	-	5424125	8.60	-	-
4	Lalita J. Pathare	5002812	7.93	-	5002812	7.93	-	-
5	Jaykumar K. Pathare - HUF	1262166	2.00	-	1262166	2.00	-	-
6	Heena S. Pathare	612500	0.97	-	612500	0.97	-	-
7	Ashwini K. Pathare	4375	0.01	-	4375	0.01	-	-
	Total	40097868	63.57	-	40097868	63.57	-	-

## iii) Change in Promoters' Shareholding

There was no change in Promoters Shareholding during the year.

## iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Bengal Investment & Finance Pvt Ltd				
	At the beginning of the year	-	-	-	-
	Bought during the year	2312505	3.67	2312505	3.67
	Sold during the year	-	-	2312505	3.67
	At the End of the year	2312505	3.67	2312505	3.67
2	Reliance Capital Partners				
	At the beginning of the year	9177215	14.55	9177215	14.55
	Bought during the year	-	-	-	-
	Sold during the year	6977215	11.06	2200000	3.49
	At the End of the year	2200000	3.49	2200000	3.49
3	Vijay Kishanlal Kedia				
	At the beginning of the year	-	-	-	-
	Bought during the year	850000	1.35	850000	1.35
	Sold during the year	-	-	850000	1.35
	At the End of the year	850000	1.35	850000	1.35
4	Hela Holdings Private Limited				
	At the beginning of the year	595000	0.94	595000	0.94
	Bought during the year	-	-	-	-
	Sold during the year	595000	0.94	-	-
	At the End of the year	-	-	-	-
5	Religare Finvest Limited				
	At the beginning of the year	533900	0.85	533900	0.85
	Bought during the year	-	-	533900	0.85
	Sold during the year	533900	0.85	-	-
	At the End of the year	-	-	-	-

Sr No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Viral Amal Parikh				
	At the beginning of the year	-	-	-	-
	Bought during the year	500000	0.79	500000	0.79
	Sold during the year	-	-	500000	0.79
	At the End of the year	500000	0.79	500000	0.79
7	Premier Investment Fund Limited				
	At the beginning of the year	212973	0.34	212973	0.34
	Bought during the year	-	-	212973	0.34
	Sold during the year	212973	0.34	-	-
	At the End of the year	-	-	-	-
8	Aparesh Infotech Private Limited				
	At the beginning of the year	187335	0.3	187335	0.3
	Bought during the year	-	-	187335	0.3
	Sold during the year	187335	0.3	-	-
	At the End of the year	-	-	-	-
9	Gauri Shankar Jhalani				
	At the beginning of the year	150507	0.24	150507	0.24
	Bought during the year	-	-	150507	0.24
	Sold during the year	-	-	150507	0.24
	At the End of the year	150507	0.24	150507	0.24
10	Russi Jal Taraporevala				
	At the beginning of the year	140000	0.22	140000	0.22
	Bought during the year	-	-	140000	0.22
	Sold during the year	-	-	140000	0.22
	At the End of the year	140000	0.22	140000	0.22
11	Dinoo Jal Taraporevala				
	At the beginning of the year	140000	0.22	140000	0.22
	Bought during the year	-	-	140000	0.22
	Sold during the year	-	-	140000	0.22
	At the End of the year	140000	0.22	140000	0.22
12	Soonil Jal Taraporevala				
	At the beginning of the year	140000	0.22	140000	0.22
	Bought during the year	-	-	140000	0.22
	Sold during the year	-	-	140000	0.22
	At the End of the year	140000	0.22	140000	0.22
13	Reliance Capital & Finance Trust Ltd				
	At the beginning of the year	137375	0.22	137375	0.22
	Bought during the year	-	-	137375	0.22
	Sold during the year	-	-	137375	0.22
	At the End of the year	137375	0.22	137375	0.22
14	OPG Securities Private Limited				
	At the beginning of the year	-	-	-	-
	Bought during the year	131000	0.21	131000	0.21
	Sold during the year	-	-	131000	0.21
	At the End of the year	131000	0.21	131000	0.21

## v) Shareholding of Directors and Key Managerial Personnel:

Sr No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Jaykumar K. Pathare				
	At the beginning of the year	5424125	8.60	5424125	8.60
	Bought during the year	-	-	5424125	8.60
	Sold during the year	-	-	5424125	8.60
	At the End of the year	5424125	8.60	5424125	8.60
2	Sunil J. Pathare				
	At the beginning of the year	16107425	25.54	16107425	25.54
	Bought during the year	-	-	16107425	25.54
	Sold during the year	-	-	16107425	25.54
	At the End of the year	16107425	25.54	16107425	25.54
3	Kapil J. Pathare				
	At the beginning of the year	11684465	18.52	11684465	18.52
	Bought during the year	-	-	11684465	18.52
	Sold during the year	-	-	11684465	18.52
	At the End of the year	11684465	18.52	11684465	18.52

Note: Mr. Gopal Sehjpal, Mr. Chetan Sheth, Dr. Arvind Kulkarni, Mr. Robin Banerjee & Mrs. Meher Castelino, Independent Director and Mr. R. Venkataraman & Mr. Ashish Mandaliya, Key Managerial Personnel did not hold any shares of the Company during the financial year 2014-15.

## V. Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8303.47	-	-	8303.47
ii) Interest due but not paid	5.43	-	-	5.43
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8308.90	-	-	8308.90
Change in Indebtedness during the financial year				
*Addition	-	415.00	-	415.00
*Reduction	(177.25)	(186.00)	-	(363.25)
Net Change	(177.25)	229.00	-	51.75
Indebtedness at the end of the financial year				
i) Principal Amount	8126.22	229.00	-	8355.22
ii) Interest due but not paid	68.69	-	-	68.69
iii) Interest accrued but not due	5.79	-	-	5.79
Total (i+ii+iii)	8200.70	229.00	-	8429.70

Note: The indebtedness under Secured Loan includes the working capital loan. There was no long term loan.

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager;

(₹ in Lakhs)

Sr No	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		VCMD	WTD	WTD	
		Sunil Pathare	Jaykumar Pathare	Kapil Pathare	
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27.00	27.00	24.00	78.00
	b) Value of perquisites u/s. 17(2) Income-tax Act, 1961	13.25	13.25	9.80	36.30
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Swear Equity	-	-	-	-
4	Commission	6.08	6.09	-	12.17
	- as % of profit	0.05%	0.05%	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	46.34	46.34	33.80	126.47
	Ceiling as per the Act	(₹ 121.53 Lakhs being 10% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)			

B. Remuneration to other Director :

(₹ in Lakhs)

Sr No	Particulars of Remuneration	Name of Director				Total Amount
		Arvind Kulkarni	Gopal Sehjpal	Chetan Sheth	Robin Banerjee	
1.	Independent Directors					
	* Fees for attending board committee meeting	0.95	0.60	0.95	0.80	3.30
	* Commission	-	-	-	-	-
	* Others, please specify	-	-	-	-	-
	Total (1)	0.95	0.60	0.95	0.80	3.30
2.	Other Non-Executive Directors	Meher Castelino				
	* Fees for attending board committee meeting	0.15	-	-	-	0.15
	* Commission	-	-	-	-	-
	* Others, please specify	-	-	-	-	-
	Total (2)	0.15	-	-	-	0.15
	Total (B)=(1+2)	1.10	0.60	0.95	0.80	3.45
	Ceiling as per the Act	(₹ 12.16 Lakhs being 1% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)				

	Total Managerial Remuneration (A + B)		129.92
	Overall Ceiling as per the Act	(₹ 133.69 Lakhs being 11% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)	

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(₹ in Lakhs)

Sr No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	Company Secretary	
		R.Venkataraman	Ashish Mandaliya	
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	22.27	12.91	35.18
	b) Value of perquisites u/s. 17(2) Income-tax Act, 1961	0	0.40	0.40
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Swear Equity	-	-	-
4	Commission	-	-	-
5	Others, please specify	-	-	-
	Total (A)	22.27	13.31	35.58

## VII. Penalties/punishment/compounding of offences :

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act against the Company or its directors or other officer in default, if any, during the year.

On behalf of the Board

Place: Mumbai  
Date : 30<sup>th</sup> May, 2015

**Jaykumar Pathare**  
Chairman  
DIN: 00203211



## ANNEXURE - C

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. **A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:** The main objective of CSR policy is to lay down guidelines to make CSR a key business process for sustainable development of the Society. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social & environmental consequences of their activities.

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Education, Safe drinking water and Rural Development Project. These projects are largely in accordance with Schedule VII of the Companies Act, 2013. Web link : [http://www.maxwell.in/investor\\_relation/Policies/Corporatesocialresponsibilitypolicy.pdf](http://www.maxwell.in/investor_relation/Policies/Corporatesocialresponsibilitypolicy.pdf).

2. **Composition of CSR Committee:**

The Company had constituted a Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee was constituted by the Board of Directors of the Company at its meeting held on 27<sup>th</sup> July, 2014. The Committee shall consist of minimum of 3 (three) members with at least 1 (one) being an Independent Director. The present constitution of the CSR Committee is as follows:

Name of Members	Designation	Status
Mr. Sunil J. Pathare	Chairman	Promoter Director
Mr. Kapil J. Pathare	Member	Promoter Director
Mr. Gopal Sehjpal	Member	Independent Director
Mr. Chetan Sheth	Member	Independent Director

The Board has authority to reconstitute this Committee from time to time.

3. **Average net profit of the Company for last three financial years (2012-2014):** ₹ 541.08 Lakhs.
4. **Prescribed CSR expenditure (two per cent of the amount as in item 3 above) (2012-2014):** The Company is required to spend ₹10.82 Lakhs towards CSR activities.
5. **Details of CSR spent during the financial year (2014-15):**
- (a) Total amount to be spent for the financial year : ₹10.82 Lakhs.
- (b) Amount spent : ₹ 14.04 Lakhs
- (c) Amount unspent, if any : NIL
- (d) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs subheads: (1) (Direct expenditure on projects or programs. (2) Overheads :	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementing agency
1 (i)	Educational support by Setting up library/hall and providing educational aid to Govt. School	Literacy	Thingalore Erode, Tamil Nadu.	₹ 2.40 Lakhs	₹ 2.40 Lakhs	₹ 2.40 Lakhs	Direct spending:
1(ii)	Collage project sponsorship	Literacy	Mumbai (Maharashtra)	₹ 2.75 Lakhs	₹ 2.75 Lakhs	₹ 2.75 Lakhs	Implementing agency
2.(i)	Providing safe drinking water to community, installing hand pumps,	Drinking Water	Appachimarmadam Panchayat- Thingalore Post, Perundurai Taluka, Erode, Tamil Nadu.	₹ 1.75 Lakhs	₹ 1.83 Lakhs	₹ 1.83 Lakhs	Direct spending
2(ii)	Promoting health care	Medical	Mumbai (Maharashtra)	₹ 0.50 Lakhs	₹ 0.60 Lakhs	₹ 0.60 Lakhs	Implementing agency
3	Installing LED Road Lamp & Lights.	Rural development Infrastructure	Bordi, Dist. Palghar, Maharashtra)	₹ 6.00 Lakhs	₹ 6.46 Lakhs	₹ 6.46 Lakhs	Direct spending

## Maxwell Industries Ltd.

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6. In case the Company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.
7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**For Maxwell Industries Limited**

**Sunil J. Pathare**

Vice Chairman and Managing Director  
DIN : 00192182

Place: Mumbai

Date: 30<sup>th</sup> May, 2015

**For and on behalf of the  
Corporate Social Responsibility Committee  
Maxwell Industries Limited**

**Sunil J. Pathare**

Chairman of the Corporate Social Responsibility Committee  
DIN : 00192182

**ANNEXURE - D****Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**MAXWELL INDUSTRIES LIMITED**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Maxwell Industries Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- 1) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not applicable
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified hence not applicable to the Company during the audit period).
- ii) The Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The Company has, on two instances, made minor delay in reporting in adherence to Regulation 13(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- 1) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- 2) Employees State Insurance Act, 1948

## Maxwell Industries Ltd.

- 3) The Payment of Gratuity Act, 1972
- 4) The Factories Act, 1948
- 5) The Minimum Wages Act, 1948
- 6) Workmen's Compensation Act, 1923
- 7) Industrial Disputes Act, 1947
- 8) The Air (Prevention and Control of Pollution) Act, 1981
- 9) The Water (Prevention and Control of Pollution) Act, 1974
- 10) Legal Metrology Act, 2009

### I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the Listing agreement.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and there were no instances where dissenting members' views were required to be captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report** that during the audit period there were instances of:

- i) Members authorizing the Board of Directors vide Special Resolution dated: September 25, 2014:
  - a) 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 in pursuance to Section 180(1)(a) of the Companies Act, 2013;
  - b) To borrow any sum or sums of monies or to receive financial assistance or to undertake financial obligation in any form, whether secured or unsecured, 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 ₹ 2,00,00,00,000/- (Rupees Two Hundred Crores only)
- ii) Members vide Special Resolution dated: January 30, 2015 passed vide Postal Ballot, authorizing preferential issue of 3,000,000 Warrants in one or more tranches to Promoters and Promoters Group (i.e. up to 25,00,000 warrants to Mr. Kapil J. Pathare and 500,000 warrants to Mrs. Ashwini K. Pathare).
- iii) The Company had issued and allotted 2,435,000, 5% Redeemable Preference Shares of ₹100/- each to the holder on February 1, 2006 for a period of ten years to be redeemed on January 31, 2016, with the option of Company to redeemed it in three equal installments starting at end the of 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> year from the date of allotment, out of above, the Company had bought back the 1,250,050 Preference shares from the members of the Company (in two tranches i.e. 6,20,600 on September 14, 2010 and 6,29,450 on October 16, 2011) and the balance 11,84,950 Preference shares to be redeemed in each three equal installments of 394,984, starting from January 31, 2014.

Considering the above, the Company had redeemed its first tranche of 3,94,984 Preference shares on July 31, 2014 and second tranche of 3,94,984 Preference Shares on January 31, 2015 respectively.

However, during audit period, there were no instances of:

- i) Public / Right / Preferential issue of shares / debentures / sweat equity.
- ii) Buy-back of securities
- iii) Merger / amalgamation / reconstruction, etc.
- iv) Foreign technical collaborations

Place: Mumbai  
Date: 30<sup>th</sup> May, 2015

**Rakesh Sanghani**  
FCS No. 7647  
C P No.: 6302

This Report is to be read with my letter of even date which is annexed as Annexure - SA and forms an integral part of this report.

## ANNEXURE – SA

To,  
The Members,  
**MAXWELL INDUSTRIES LIMITED**

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report 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.

Place: Mumbai  
Date: 30<sup>th</sup> May, 2015

**Rakesh Sanghani**  
FCS No. 7647  
C P No.: 6302



## 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, 2013 and the Companies (Appointment and Qualification of Directors) Rule, 2014 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 8 (Eight) members out of them 3 (Three) are Executive Directors and 5 (Five) Non-executive/Independent Directors. The Managing Director & Whole-time Directors are being paid remunerations 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 (Two) Board Meeting does not exceed more than 120 days. 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 8 (Eight) times during the last financial year on 09.05.2014, 23.07.2014, 13.08.2014, 07.10.2014, 14.11.2014, 25.12.2014, 14.02.2015 and 24.03.2015. The last AGM was held on 25<sup>th</sup> September, 2014.

### COMPOSITION OF BOARD AND ATTENDANCE RECORD:

Name	Category	Other Directorship		Membership of Other Board Committees		No. of Board Meetings attended	Attendance at the last AGM held on 25 <sup>th</sup> September, 2014
		As Member	As Chairman	As Member	As Chairman		
Mr. Jaykumar K. Pathare	Chairman, Whole-time Director, Promoter	4	-	-	-	8	Yes
Mr. Sunil J. Pathare	Vice Chairman & Managing Director, Promoter	6	-	-	-	8	Yes
Mr. Kapil J. Pathare	Whole-time Director, Promoter	6	-	-	-	7	Yes
Dr. Arvind Kulkarni	Independent Director	-	-	-	-	8	Yes
Mr. Gopal Sehjpal	Independent Director	2	-	1	2	4	Yes
Mr. Chetan Sheth	Independent Director	2	-	-	-	8	Yes
Mr. Robin Banerjee	Independent Director	2	-	-	-	7	Yes
Mrs. Meher Castelino	Women Director	-	-	-	-	1	-

Mrs. Meher Castelino appointed w.e.f. 24.03.2015

### 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. These 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/Independent Directors:

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

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

### 1) Mr. Sunil J. Pathare, Vice Chairman and Managing Director be retire by rotation and being eligible offer himself for re-appointment.

Mr. Sunil J. Pathare age of 44 years, B.com, he joined the Company at the early age at 21, when the Company was domestically present, he headed the international business for the Company, at present the Company is present in the more than 15 countries. He was the National Vice President of Foreign Trade Development (India) Association from 2003 to 2005.

Mr. Sunil J. Pathare has been awarded for excellence in manufacturing by CMAI, "Entrepreneurship Excellence Award 2007" by SME Chamber of India, Indira Group of Institutes award for Marketing excellence in March, 2012, IFA - Most admired Innerwear Brand of the year, Inside Fashion Brand Award VIP for excellence in Retail, Golden Trophy by CMAI- for best men's innerwear in 2006-07 and best women' innerwear in 2007-08, and also excellence in Advertising at 38<sup>th</sup> all India award ABBY - 2005.

Mr. Sunil J. Pathare a visionary, dynamic and friendly entrepreneur, determined to take the Company and its brand across the globe, he has an extensive experience in the field of Marketing, Production Operation, Sales, Finance, Advertising, business start ups in various markets. The execution capabilities and developing the team with capabilities to handle transactions of various natures has been one of the strengths of Mr. Sunil J. Pathare.

He is having directorship in following companies: 1. Maxwell Capital Management Pvt. Ltd., 2. Maxwell Venture Pvt. Ltd., 3. Maxwell Entertainment Pvt. Ltd., 4. Shogun Chemicals Pvt. Ltd., 5. Maxwell Retails Pvt. Ltd. and 6. Maxwell Health & Hygiene Private Limited

### 2) Appoinment of Mrs. Meher Castelino as an Independent Director of the Company

Mrs. Meher Castelino age of 71, born in Bombay, her involvement with fashion and beauty goes back to 1964 when she was the first Miss India selected by Femina soon after graduating from Lawrence School, Lovedale. She represented the country at the Miss Universe and Miss United Nations Contests in Miami Beach, Florida and Majorca Spain.

A famous commercial and catwalk model for over 14 years, she has appeared in over 2000 live fashion shows, in India and around the globe many of which were conceived and directed by her. She has also headed the designing departments of export as well as local fashion houses.

The pioneer of fashion journalism in India since her first article in Eve's Weekly in 1973, Mrs. Castelino has been a full time fashion/lifestyle journalist and syndicated columnist having written for nearly 150 national and international newspapers and magazines.

She, authored the only book on men's fashion, MANSTYLE published in 1987. Her second book FASHION KALEIDOSCOPE was released in 1994 and traces the evolution of Indian high fashion from 1960-1990. Her satire blog on fashion for Stylekandy.com is one of the most widely read on the web. She is the official writer for Lakmé Fashion Week since 2006 reporting all over the globe.

Mrs. Castelino had been invited by Germany, France, Italy, USA, South Africa, Turkey, Australia, Netherland and Singapore to view haute couture fashion shows of international designers and interview them.

Mrs. Castelino was awarded the Hall of Fame Fashion writer Award at the Kingfisher Fashion Awards in 2001.

Her second Award was Achievement in Fashion Media from Young Environmentalists Trust on March 7, 2012 to celebrate International Women's Day. Mrs. Castelino was also honoured by the B D Somani Institute of Fashion Technology with an Award for her contribution to fashion for three decades on May 6, 2012.

## 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	40.25	6.08	46.33
Mr. Sunil J. Pathare, Vice Chairman & Managing Director	Son of Mr. J. K. Pathare, Brother of Mr. Kapil J. Pathare	Promoter	N.A	40.25	6.09	46.44
Mr. Kapil J. Pathare, Whole-time Director	Son of Mr. J. K. Pathare, Brother of Mr. Sunil J. Pathare	Promoter	N.A	33.80	N.A.	33.80
Dr. Arvind Kulkarni,	None	None	0.95	N.A	N.A	0.95
Mr. Gopal Sehjpal	None	None	0.60	N.A	N.A	0.60
Mr. Chetan Sheth	None	None	0.95	N.A	N.A	0.95
Mr. Robin Banerjee	None	None	0.80	N.A	N.A	0.80
Mrs. Meher Castelino*	None	None	0.15	N.A	N.A	0.15

\* Appointed w.e.f. 24<sup>th</sup> March, 2015

## 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 5 (Five) times on 09.05.2014, 23.07.2014, 13.08.2014, 14.11.2014 and 14.02.2015. 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 Sehgal	Chairman	Independent Director	2
Dr. Arvind Kulkarni	Member	Independent Director	5
Mr. Chetan Sheth	Member	Independent Director	5
Mr. Sunil J. Pathare	Member	Promoter Director	5

## Terms of Reference:

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 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.

## Stakeholders Relationship Committee (earlier known as Investor Grievance Committee):

- (A) Constitution of Stakeholders Relationship Committee: The Stakeholders Relationship Committee comprises of 4 (Four) Members out of them 3 (Three) are Non-executive Independent Directors and 1 (One) Executive Director.
- (B) Composition of Stakeholders Relationship Committee and number of meetings attended: During the financial year Stakeholders Relationship Committee met 5 (Five) times on 09.05.2014, 23.07.2014, 13.08.2014, 14.11.2014 and 14.02.2015. The composition of Stakeholders Relationship 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	5
Mr. Gopal Sehgal	Member	Independent Director	2
Mr. Chetan Sheth	Member	Independent Director	5
Mr. Sunil J. Pathare	Member	Promoter Director	5

## Terms of Reference:

The Investors Grievance Committee reviews and ensures the existence of a proper system for timely solution of grievances of the security holder 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 (earlier known as Remuneration Committee):

- A) Constitution of Nomination & Remuneration Committee: The Nomination & Remuneration Committee comprises of 3 (Three) members, all are Non-executive Independent Directors.
- B) Composition of Nomination & Remuneration Committee and number of meetings attended: The Nomination & Remuneration Committee met 5 (Five) times during the last financial year on 09.05.2014, 23.07.2014, 13.08.2014, 14.11.2014 and 14.02.2015. The composition of Nomination & Remuneration Committee and the number of meetings attended were as under:

Name of Members	Designation	Status	No. of committee meeting attended
Mr. Chetan Sheth	Chairman	Independent Director	5
Mr. Gopal Sehgal	Member	Independent Director	2
Mr. Arvind Kulkarni	Member	Independent Director	5

## Maxwell Industries Ltd.

The terms of reference of Nomination & 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:

- Constitution of Corporate Social Responsibility Committee: The Corporate Social Responsibility Committee comprises of 4 (Four) members, out of them 2 (Two) are Non-executive Independent Directors and 2 (Two) Executive Director.
- Composition of Corporate Social Responsibility Committee and number of meetings attended: The Corporate Social Responsibility Committee met 1 (One) time during the last financial year on 24.03.2015.

Name of Members	Designation	Status	No. of committee meeting attended
Mr. Sunil J. Pathare	Chairman	Promoter Director	1
Mr. Kapil J. Pathare	Member	Promoter Director	1
Mr. Chetan Sheth	Member	Independent Director	1
Mr. Gopal Sehjpal	Member	Independent Director	1

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 activates;
- 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.

### Risk Management Committee

- Constitution of Risk Management Committee: The Risk Management Committee comprises of 4 (Four) members, out of them 2 (Two) are Non-executive Independent Directors and 1 (One) Executive Director and Company Secretary of the Company.
- Composition of Risk Management Committee and number of meetings attended: The Risk Management Committee met 1 (One) time during the last financial year on 24.03.2015.

Name of Members	Designation	Status	No. of committee meeting attended
Mr. Sunil J. Pathare	Chairman	Promoter Director	1
Mr. Chetan Sheth	Member	Independent Director	1
Mr. Gopal Sehjpal	Member	Independent Director	1

The Role of Risk Management Committee is as follows:

- Implementation of Risk Management System and Framework;
- Reviewing the Company's Financial and risk management policies;
- Assessing risk and Minimizing the procedure;
- Framing, implementing and monitoring the risk management plan of the Company

### Internal Compliant Committee pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has framed an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted Internal Complaints Committee (ICC) to redress the complaints received regarding sexual harassment. During the year under review, no complaints were received by the Committee for Redressal.

## Independent Director's Meeting:

A meeting of the Independent Director was held on 24<sup>th</sup> March, 2015.

The attendance details are given below:

Name	Designation	Status	No. of committee meeting attended
Mr. Robin Banerjee	Chairman	Independent Director	1
Mr. Gopal Sehjpal	Member	Independent Director	1
Mr. Chetan Sheth	Member	Independent Director	1
Dr. Arind Kulkarni	Member	Independent Director	1
Mrs. Meher Castelino	Member	Independent Director	1

## General Body Meeting:

The last three General Body Meetings of the Company (all held at The All India Plastics Manufacturers Association, MIDC, Andheri East, Mumbai 400 093) details of which are as under:-

Financial Year	AGM	Date	Time	Special Resolution if passed
2013-14	24 <sup>th</sup> AGM	25 <sup>th</sup> September, 2014	11.00 a.m.	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Robin Banerjee as Independent Director</li> <li>2. Appointment of Mr. Gopal Sehjpal as Independent Director</li> <li>3. Appointment of Mr. Chetan Sheth as Independent Director</li> <li>4. Appointment of Mr. Arvind Kulkarni as Independent Director</li> <li>5. Mr. Sunil J. Pathare - Change in residual term to retiring by rotation</li> <li>6. Mr. Kapil J. Pathare - Change in residual term to retiring by rotation</li> <li>7. Re-appointment of Mr. Jaykumar Pathare as a Whole-time Director of the Company</li> <li>8. Borrowing / Financial Assistance</li> <li>9. Creation of charge for Borrowings / Financial Assistance availed</li> </ol>
2012-2013	23 <sup>rd</sup> AGM	14 <sup>th</sup> August, 2013	11.00 a.m.	<ol style="list-style-type: none"> <li>1. To Re-appointment Mr. Sunil J. Pathare as Vice Chairman and Managing Director for a period of three years upto 31.03.2016.</li> <li>2. To Re-appointment Mr. Kapil J. Pathare as Whole-time Director for a period of three years upto 31.03.2016.</li> </ol>
2011-2012	22 <sup>nd</sup> AGM	23 <sup>rd</sup> August, 2012	11.00 a.m.	No

## Postal Ballot:

During the year, pursuant to the provisions of the Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, the Company has passed certain resolutions through Postal Ballot, as per the details mentioned below:

1. The Company as per the Postal Ballot notice dated 25<sup>th</sup> December, 2014 passed a Special Resolutions for allotment of Preferential Warrants to Promoter and Promoter Group.

The Company had appointed Mr. Rakesh Sanghani, Practising Company Secretary as a Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. Postal Ballot Forms received upto the close of the working hours on 28<sup>th</sup> January, 2015 had been considered and the result of Postal Ballot was announced on 30<sup>th</sup> January, 2015 at the Registered Office of the Company.

## Disclosure:

- 1) The Company's transaction with related parties, as per requirement of Accounting Standard 18, are disclosed elsewhere in this Annual Report.
- 2) 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.
- 3) 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.
- 4) None of the Directors of the Company is disqualified as per provision of 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 31<sup>st</sup> March, 2015.



## 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](http://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 year 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 <sup>th</sup> June, 2014	14.08.2014	14.08.2014
30 <sup>th</sup> September, 2014	15.11.2014	15.11.2014
31 <sup>st</sup> December, 2014	15.02.2015	15.02.2015
31 <sup>st</sup> March, 2015	31.05.2015	31.05.2015

## General Shareholders information

- A) Annual General Meeting is proposed to be held on Saturday the 26<sup>th</sup> day of September, 2015 at 11.00 a.m. at **The All India Plastics Manufacturers Association, MIDC, Andheri (East), Mumbai-400093.**
- B) Financial Calendar : 1<sup>st</sup> April 2015 to 31<sup>st</sup> March, 2016  
 Quarterly Results : Results for quarter ending 30<sup>th</sup> June, 2015- Second week of August, 2015  
 Results for quarter ending 30<sup>th</sup> September, 2015-Second week of November, 2015  
 Results for quarter ending 31<sup>st</sup> December, 2015-Second week of February, 2016  
 Audited Results for year ended 31<sup>st</sup> March, 2015 - May, 2016  
 Annual Results : May, 2016
- C) Book Closure : 19/09/2015 to 26/09/2015  
 (Both days inclusive)
- D) Dividend Payment : 01/10/2015
- E) Registered office of the Company : C-6, Road No. 22, MIDC, Andheri (East)  
 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
- J) Stock Market Data

Month	Bombay Stock Exchange			National Stock Exchange		
	High (in Rs.)	Low (in Rs.)	Volume (Nos.)	High (in Rs.)	Low (in Rs.)	Volume (Nos.)
April, 2014	23.65	14.15	1375743	23.90	14.55	2549696
May, 2014	22.15	17.60	628362	21.95	17.10	1055137
June, 2014	23.00	18.70	1126797	23.20	19.05	2437323
July, 2014	24.25	19.25	1175333	24.25	19.35	2651550
August, 2014	27.60	19.70	3652769	27.60	19.55	7829241
September, 2014	31.65	23.55	3465717	31.60	23.50	8386379
October, 2014	28.50	23.80	1674828	28.50	23.65	3784371
November, 2014	40.35	26.90	5942570	40.30	26.85	14831031
December, 2014	42.35	27.40	4176112	42.35	27.40	10234599
January, 2015	54.00	34.35	12234616	54.00	34.15	24590608
February, 2015	59.35	39.00	9645237	59.25	38.95	17199276
March 2015	76.60	51.25	7673592	76.75	51.30	16918596

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

Distribution of Shareholders as on 31<sup>st</sup> March 2015.

Slab of no of Shareholding	No. of Share holders	% of Shareholders	Amount	% of Amount
1 – 500	8203	70.6303	1508168	2.3910
501 – 1000	1414	12.1750	1228074	1.9469
1001 – 2000	1013	8.7222	1697118	2.6905
2001 – 3000	241	2.0751	633888	1.0049
3001 – 4000	158	1.3604	571696	0.9063
4001 – 5000	168	1.4465	803241	1.2734
5001 – 10000	180	1.5499	1399398	2.2185
10001 – *****	237	2.0406	55235632	87.5683
<b>Total</b>	<b>11614</b>	<b>100.0000</b>	<b>63077215</b>	<b>100.0000</b>

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 31<sup>st</sup> March, 2015

Period	% Change in		
	Maxwell Share Price	BSE Sensex	Maxwell Relative to Sensex
Year on year	359.67	24.89	334.78
2 Years	387.28	48.43	338.85
3 Years	237.16	60.64	176.53
4 Years	291.76	43.78	247.99
5 Years	250.89	59.50	191.39
6 Years	676.46	187.97	488.49

Share price performance relative to Nifty based on the share price on 31<sup>st</sup> March, 2015

Period	% Change in		
	Maxwell Share Price	Nifty	Maxwell Relative to Nifty
Year on year	371.82	26.65	345.17
2 Years	393.88	49.42	344.46
3 Years	234.88	60.34	174.54
4 Years	291.17	45.55	245.62

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

Shareholding pattern as on 31<sup>st</sup> March 2015

Category	No. of Share held	% to total
1. Indian Promoters & Person Acting in Concert	4,00,97,868	63.57
<b>Sub-total</b>	<b>4,00,97,868</b>	<b>63.57</b>
2.1 Mutual Funds & UTI	875	0.00
2.2 Banks, FIs, Insurance Companies	23,666	0.04
2.3 FIIIs	1,62,973	0.26
<b>Sub-total</b>	<b>1,87,514</b>	<b>0.30</b>
3.1 Bodies Corporates	82,29,655	13.05
3.2 Indian Public	1,35,27,318	21.45
3.3 Trust	2,000	0.00
3.4 NRIs. / NRNs.	3,97,225	0.63
3.5 Clearing Members	6,35,635	1.01
<b>Grand Total</b>	<b>6,30,77,215</b>	<b>100.00</b>

## Dematerialization of Shares:

About 97.06% of the shares of the Company have been dematerialized as on 31<sup>st</sup> March, 2015. 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	6,12,21,528	97.06
Holding in physical form	18,55,687	2.94
<b>Total</b>	<b>6,30,77,215</b>	<b>100.00%</b>

The names and addresses of the Depositories are as under:

- |  |  |
|--|--|
| <p>1. National Securities Depository Ltd.<br/>Trade World, 4th Floor<br/>Kamala Mills Compound<br/>Senapathi Bapat Marg, Lower Parel,<br/>Mumbai - 400 013</p> | <p>2. Central Depository Services (India) Limited<br/>Phiroze Jeejeebhoy Towers<br/>28<sup>th</sup> Floor, Dalal Street<br/>Mumbai - 400 023</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/Socks Unit
(ii) Plot no.13-15, SIPCOT Industrial Growth Centre, Perundurai – Erode, Tamilnadu – 638 052	Process House
(iii) Plot No. 92/94, New GIDC, Umbergaon, Valsad, Gujarat - 396 171	Stitching Unit
(iv) S. F. No. 125, 126 & 127, Appachimarmadam, Thingalur, Erode – 638 055	Stitching 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 (W), Mumbai - 400 078.  
Tel No. - 022 25963838 Fax No. - 022 25946969  
Email: [rnt.helpdesk@linkintime.co.in](mailto: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](mailto:investor.relations@viporg.com)

# Maxwell Industries Ltd.

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## ANNEXURE TO CORPORATE GOVERNANCE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

### 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  
DIN : 00203211

Date: 30.05.2015  
Place: Mumbai

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## 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 31<sup>st</sup> March, 2015 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: 30<sup>th</sup> May, 2015

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry structure and development

#### Market overview Textile and Apparel:

The Indian Textile and Apparel (T&A) Industry has emerged from the economic slowdown and is regaining forward momentum. T&A, being an important industry, contributes 5.4 percent of India's GDP. It is estimated to grow at a promising CAGR of 9 percent over the next 10 years. This includes both the domestic market and exports. The value of the domestic T&A market is US\$ 59 billion which exceeds the value of the exports market, reflecting higher domestic demand and consumption.

Shifting demographics, shrinking households, a greater number of educated consumers, the growing number of working women, changing fashion trends, rising disposable incomes, awareness levels, new retail formats, technological innovations and changing consumer behavior are the trends powering the growth of the domestic market. The apparel sector comprises 70 percent of the total domestic market, which in turn becomes the result of an increase in the per capita consumption by Indian consumers.

The domestic apparel market, which is split into menswear, womenswear, and kidswear, was worth US\$ 45 billion in 2014, and is expected to grow at a CAGR of 9 percent to reach US\$ 110 billion, in 2024. With a 42 percent market share, menswear leads the domestic apparel market followed by womenswear (38%), while kidswear accounts for 20 percent of the market. Menswear has been the focus for many brands and retailers and is therefore comparatively more organised, with higher brand penetration and greater degree of brand awareness. The size of the menswear market was US\$ 17.3 billion in 2014; with growth at a CAGR of 9 percent expected over the coming decade, this may reach US\$ 39.6 billion by 2024.

Although the womenswear market is relatively less organised and has lower brand penetration, its size was still US\$ 15.5 billion in 2013; this is expected to grow, at a CAGR of 10 percent, over the next decade to reach US\$ 38.9 billion in 2023 and thus nearly becoming equal to the worth of the menswear segment. The faster growth of this segment, as compared to the menswear segment, has attracted the attention of both national and international brands and retailers. Many menswear brands and retailers have also tapped into this opportunity and have extended their presence into this segment as well.

**Finance review:** Please refer Board Report for financial performance review.

#### Outlook on strengths and Opportunities:

##### Strengths:

The Textile and Apparel Industry has a huge availability of production capacity and raw material. As India being the highest exporter of cotton and yarn and skilled affordable workforce. There is huge young customer base available for growth.

##### Opportunities:

In case of Textile and Apparel in general and innerwear market in particulars, there is huge scope in retailing and e-trade business as a result of change in the consumption pattern, increase in the income levels of individual customers, shift in buying pattern in terms of ready to wear, growing urbanisation and emergence of educated working women.

#### Outlook on Weakness and Threats:

The Industry is highly fragmented but growing at very higher pace and it mainly dependent on the availability of skilled labour. The prices of raw materials are highly fluctuating specially, the cotton, and it depends upon the monsoon and export policies of the government, which has impact on the manufacture. The Competition with domestic and international player in the industry is very high and it has been growing the years to come.

#### Internal control system and adequacy:

The Company's Internal Control Systems, commensurate with the size of the Company and nature of its business, and has well documented policies and procedures ensuring that all assets are safeguard and protected against the loss from unauthorised use or disposition.

The Company, in order to strength the internal control system has migrated from old software system to integrated SAP software system, which is more structured, disciplined and provide the best practices to synchronised the sales and production planning, the benefit of which results in more efficient handing of inventories.

As a process, internal auditor reviews the internal control, procedures and reports on the control adequacies to the Audit Committee which meets periodically to review the financial performance and the accuracy of financial records.

#### Human Resource Development:

Human Resource Development (HRD) is the frameworks for helping employees, develop their personal and organizational skills, knowledge and abilities. Human Resource Development includes such opportunities as employee training, employee career development, performance management and development, coaching, mentoring, succession planning, key employee identification, tuition assistance and organization development.

The industry in which Company operates is highly dependent on the manual labour and HRD is plays an important role both in hiring and retaining through training and development. The Company has started training for the works force at its both manufacturing location which will help in improvising the productivity and efficiency on the work.



## 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 31<sup>st</sup> March, 2015 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, 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 have taken into account provision of the Act and the Rules made thereunder including accounting standard and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under the Section 143(10) of the Act and other applicable authoritative pronouncement 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 financial control relevant to the Company's preparation of the financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operative effectiveness of such controls. 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 31<sup>st</sup> March, 2015;
- 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 (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

## INDEPENDENT AUDITOR'S REPORT

- 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2015;
- e) on the basis of written representations received from the directors as on 31<sup>st</sup> March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from the being appointed as a director in terms of Section 164(2) Act.
- f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - 1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in CARO 2015, Sr. 7 (b) as at March 31, 2015.
  - 2. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Attar & Co.**

Chartered Accountants  
Firm Registration No.: 112600W

**M.F.Attar**

Proprietor  
Place: Mumbai  
Membership No. : 034977  
Date: 30<sup>th</sup> May, 2015

## 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.
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 189 of the Companies Act, 2013:
 

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 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a) and iii(b) 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 and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year from the public within provisions of Section 73 to 76 of the Act and rule framed there under.
6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 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.
7.
  - a) 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.
  - b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues as on 31st of March, 2015 for a period of more than six months from the date of becoming payable. The particulars of dues of income tax and sales tax as at 31<sup>st</sup> March, 2015 which have not been deposited on account of dispute are as follows:

Forum where the dispute is pending	Name of the Statute	Rs. 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
Commissioner of Income Tax	Income Tax Act	18.04	2011-12

## Maxwell Industries Ltd.

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- c) According to the information and explanations given to us, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
8. 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.
9. 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.
10. 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.
11. The company has not taken any term loan during the year.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the Management.

**For Attar & Co.**

Chartered Accountants  
Firm Registration No.: 112600W

**M.F.Attar**

Proprietor  
Place: Mumbai  
Membership No. : 034977  
Date: 30<sup>th</sup>May, 2015

Balance Sheet as at 31<sup>st</sup> March, 2015

(₹ in Lakhs)

	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	1,998.52	2,446.49
Reserves and surplus	4	7,943.60	7,830.24
		<b>9,942.12</b>	10,276.73
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	5	1,238.57	1,251.46
Other long-term liabilities	6	392.37	402.88
		<b>1,630.94</b>	1,654.34
<b>Current liabilities</b>			
Short-term borrowings	7	9,426.08	8,303.47
Trade payables	8	3,168.82	3,316.43
Other current liabilities	9	1,002.08	866.60
Short-term provisions	10	287.40	251.41
<b>TOTAL</b>		<b>25,457.44</b>	24,668.98
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	11	5,467.93	5,917.06
Intangible assets	11	1,189.65	1,258.21
		<b>6,657.58</b>	7,175.27
Capital Work in Progress		185.05	3.00
Non-current investments	12	1.15	1.15
Long-term loans and advances	13	1,507.48	1,510.75
<b>Current assets</b>			
Inventories	14	9,234.06	10,008.72
Trade receivables	15	7,562.10	5,647.39
Cash and cash equivalents	16	254.13	271.90
Short-term loans and advances	17	55.89	50.80
<b>TOTAL</b>		<b>25,457.44</b>	24,668.98
<b>Summary of Significant Accounting Policies</b>	2		
<b>See accompanying notes forming part of the financial statements</b>			

As per our report of even date

**For Attar & Co.**

Chartered Accountants

Registration No - 112600W

**M.F.Attar**

Proprietor

M.No.034977

Mumbai

Date : 30<sup>th</sup> May, 2015**For and on behalf of Board**

**R. Venkataraman**  
C.F.O. & C.O.O.  
(M. No. ACA - 33583)

**Ashish Mandaliya**  
Company Secretary  
(M. No. ACS - 17289)

**Sunil J. Pathare**  
Vice Chairman &  
Managing Director  
(DIN: 00192182)

Mumbai  
Dated : 30<sup>th</sup> May, 2015

**Jaykumar K. Pathare**  
Chairman & Whole time Director  
(DIN: 00203211)

**Kapil J. Pathare**  
Whole time Director  
(DIN: 01089517)

Statement of Profit and Loss for the year ended on 31<sup>st</sup> March, 2015

(₹ in Lakhs)

	Note No.	Year ended 31st March, 2015	Year ended 31st March, 2014
<b>CONTINUING OPERATIONS</b>			
Revenue from operations	18	26,109.61	25,741.56
Other income	19	50.30	133.32
<b>Total revenue</b>		<b>26,159.91</b>	<b>25,874.88</b>
<b>Expenses</b>			
(a) Cost of materials consumed	20A	14,093.92	15,379.29
(b) Changes in inventories of finished goods and work-in-progress	20B	1,488.03	678.32
(c) Employee benefits expense	21	1,736.91	1,578.39
(d) Advertisement & Publicity Expenses		164.48	294.78
(e) Finance costs	22	1,254.21	1,269.85
(f) Depreciation and amortization expense	11	490.65	351.05
(g) Other expenses	23	5,842.84	5,517.23
<b>Total expenses</b>		<b>25,071.04</b>	<b>25,068.91</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>1,088.87</b>	<b>805.97</b>
Exceptional items		-	-
<b>Profit / (Loss) before tax</b>		<b>1,088.87</b>	<b>805.97</b>
<b>Tax expense:</b>			
(a) Current tax expense for current year		(385.55)	(230.98)
(b) Current tax expense relating to prior years		(17.34)	-
(c) Deferred tax		12.89	(42.33)
<b>Profit / (Loss) for the year</b>		<b>698.87</b>	<b>532.66</b>
<b>Earnings per share (of ₹ 2/- each):</b>			
Basic and Diluted		1.08	0.73
<b>Summary of Significant Accounting Policies</b>	2		
<b>See accompanying notes forming part of the financial statements</b>			

As per our report of even date

**For Attar & Co.**

Chartered Accountants

Registration No - 112600W

**M.F.Attar**

Proprietor

M.No.034977

Mumbai

Date : 30<sup>th</sup> May, 2015**For and on behalf of Board**

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(DIN: 00192182)

Mumbai  
Dated : 30<sup>th</sup> May, 2015

**Jaykumar K. Pathare**  
Chairman & Whole time Director  
(DIN: 00203211)

**Kapil J. Pathare**  
Whole time Director  
(DIN: 01089517)



Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2015

(₹ in Lakhs)

	Year ended 31 March, 2015	Year ended 31 March, 2014
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax and Extraordinary items	1,088.87	805.97
Adjustment for:		
1) Depreciation and Amortization	490.65	351.05
2) Insurance Claim	(2.15)	(5.99)
3) Duty Draw Back	(138.56)	(118.21)
4) Other Income	(14.53)	(68.26)
5) (Profit)/Loss on sale of Assets (Net)	(0.02)	31.78
6) Financial Cost	1,254.21	1,269.86
7) Interest Received	(22.30)	(29.23)
8) Rental Income	(11.30)	(29.78)
	<b>1,556.00</b>	<b>1,401.23</b>
<b>Operating Profit before Working Capital Changes</b>	<b>2,644.87</b>	<b>2,207.20</b>
Changes in Working Capital		
Adjustments for (increase) / decrease in operating assets:		
(Increase) / Decrease in Inventories	774.66	754.45
(Increase) / Decrease in Trade Recievables	(1,914.71)	20.84
(Increase) / Decrease in Short Term Loans & Advances	(5.10)	(3.40)
(Increase) / Decrease in Long Term Loans & Advances	(29.42)	51.36
Increase / (Decrease) in Trade Payables	(147.61)	138.30
Increase / (Decrease) in Other Current Liabilities	35.59	195.61
Increase / (Decrease) in Short Term Provisions	(0.60)	(8.13)
(Increase)/Decrease in Working Capital	<b>(1,287.19)</b>	<b>1,149.03</b>
Cash Generated From Operations	<b>1,357.68</b>	<b>3,356.23</b>
Add/(Less):		
Direct Tax Refunds	(5.92)	153.16
Direct Taxes Paid	(261.75)	(153.13)
	<b>(267.67)</b>	<b>0.03</b>
Cash Flow from Extraordinary items		
Add:		
Insurance Claim	2.15	5.99
Duty Drawbacks	138.55	118.21
	<b>140.70</b>	<b>124.20</b>
<b>Net Cash Flow from / (used in) Operating Activities (A)</b>	<b>1,230.71</b>	<b>3,480.46</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(280.61)	(623.71)
Capital Work in Progress	(182.05)	-
Sale of Fixed Assets	0.04	9.23
Other Income	14.53	68.26
Interest Income	22.30	29.23
Rental Income	11.30	29.78
<b>Net Cash Flow from / (used in) Investing Activities (B)</b>	<b>(414.49)</b>	<b>(487.22)</b>

Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2015

(₹ in Lakhs)

	Year ended 31 March, 2015	Year ended 31 March, 2014
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from issue of warrants	342.00	-
Redemption of Preference Share	(789.97)	-
Security Deposit Received	(1.30)	13.30
Repayment of Other Long Term Liabilities	(9.22)	(12.48)
Increase / (Decrease) in Utilisation of Cash Credit	887.90	(475.57)
Proceeds from Short Term Borrowings	234.71	(1,096.88)
Financial cost	(1,254.21)	(1,269.86)
Dividends paid	(211.27)	(218.10)
Dividends Tax paid	(32.63)	(35.19)
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>	<b>(833.99)</b>	<b>(3,094.77)</b>
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(17.77)	(101.53)
Cash and Cash Equivalents at the beginning of the year	271.90	373.43
<b>Cash and Cash Equivalents at the end of the year</b>	<b>254.13</b>	<b>271.90</b>
* Comprises:		
(a) Cash on Hand	0.21	4.75
(b) Balances with Banks		
(i) In Current Accounts	34.75	49.01
(ii) In Deposit Accounts	201.66	197.91
(iii) In Earmarked Accounts: - Unpaid Dividend Account	17.51	20.23
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>254.13</b>	<b>271.90</b>

**Notes:**

(i) 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

**M.F.Attar**

Proprietor

M.No.034977

Mumbai

Date : 30<sup>th</sup> May, 2015**For and on behalf of Board**

**R. Venkataraman**  
C.F.O. & C.O.O.  
(M. No. ACA - 33583)

**Ashish Mandaliya**  
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**Sunil J. Pathare**  
Vice Chairman &  
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(DIN: 00192182)

Mumbai  
Dated : 30<sup>th</sup> May, 2015

**Jaykumar K. Pathare**  
Chairman & Whole time Director  
(DIN: 00203211)

**Kapil J. Pathare**  
Whole time Director  
(DIN: 01089517)

## Notes forming part of the financial statements

### 1. CORPORATE INFORMATION

Maxwell Industries Limited ('Company') was incorporated on 14<sup>th</sup> 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

These financial statement have been prepared in accordance with the generally accepted accounting principal in India under the historical cost convention on accrual basis, pursuant to section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounting) Rule, 2014, till the standard of accounting or addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, existing Accounting Standard notified under Companies Act, 1956 shall continue to apply. Consequently, these financial statement have been prepared to comply in all aspect with the accounting standards notified under section 211(3C) of the Companies Act, 1956 (Companies Accounting Standard) Rules, 2006, as amended and other relevant provisions of the Companies Act, 2013.

#### 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 incase 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, directlyattributable to such asset, during construction period). Cost of acquisition is inclusive of freight, insurance, duties net of credits under CENVATscheme, levies and all incidentals attributable to bringing the asset to its working condition.
- ii) Depreciation is provided on straight line method at the rates and in the manner specified in Schedule II to the Companies Act, 2013. Some of the Assets are depreciated 100% in the year of acquisition itself depending upon the useful life of the assets as estimated by the management.

Item of value less than ₹ 5,000/- each are depreciated at 100% in the year of acquisition.

Intangible assets are amortized on a straight line basis based on useful life of the assets.

- 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.

## Notes forming part of the financial statements

### 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.
- 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.

## 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**

(₹ in Lakhs)

3.1 Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
<b>Authorized</b>				
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
<b>Issued , Subscribed and fully paid up shares</b>				
Equity shares of ₹ 2/- each fully paid up (Note: (i))	6,30,77,215	1,261.54	6,30,77,215	1,261.54
5% Redeemable Preference Shares of ₹ 100/- each fully paid up (Note: (ii))	3,94,982	394.98	11,84,950	1,184.95
Share warrant (Note: (iii))	30,00,000	342.00	-	-
<b>Total</b>		<b>1,998.52</b>		<b>2,446.49</b>

Note:

- (i) 3,57,50,000 Ordinary Shares of ₹ 2/- each allotted as fully paid up Bonus Shares by way of Capitalization of Share Premium.
- (ii) The Company had allotted the 24,35,000, 5% Redeemable Preference Shares of ₹ 100/- each on 1<sup>st</sup> February, 2006, redeemable after 31.01.2016 with an option to the Company to redeem it at the end of the 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> 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 12,50,050 Preference Shares the installment will be proportionately reduce to ₹ 394.98 Lakhs each year to be redeemed on 31.03.2014, 31.01.2015 and 31.01.2016. The Company had redeemed its first trench on 31<sup>st</sup> July, 2014 and 2<sup>nd</sup> trench was redeemed on 31<sup>st</sup> January, 2015.
- (iii) The Company had issued and allotted 30,00,000 warrant at price of ₹ 38 per warrant belonging to Promoter group as per SEBI (ICDR) Regulations, 2009. The Company had received ₹ 342 Lakhs being 30% of ₹ 1,140 Lakhs is initial contribution towards subscription of warrants from the subscriber to warrant.

## Notes forming part of the financial statements

## 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, 2015		As at 31 March, 2014	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
<b>Equity Shares of ₹ 2/- each fully paid up</b>				
Opening	6,30,77,215	1,261.54	6,30,77,215	1,261.54
Add/(Less): Issued/(bought back) of shares	-	-	-	-
Closing	6,30,77,215	1,261.54	6,30,77,215	1,261.54
<b>5% Redeemable preference shares of ₹ 100/- each</b>				
Opening	11,84,950	1,184.95	11,84,950	1,184.95
Add/(Less): Issued/(redeemed) during the year	(7,89,968)	(789.97)	-	-
Closing	3,94,982	394.98	11,84,950	1,184.95

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

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	% Held	Number of shares	% Held
<b>Equity Shares</b>				
Reliance Capital Partners	-	-	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%
<b>5% Redeemable Preference Shares</b>				
Jaykumar K. Pathare	22,534	5.70%	67,600	5.70%
Sunil J. Pathare	1,14,566	29.01%	3,43,700	29.01%
Kapil J. Pathare	1,13,266	28.68%	3,39,800	28.68%
Lalita J. Pathare	1,44,616	36.61%	4,33,850	36.61%
<b>Warrants</b>				
Kapil J. Pathare	25,00,000	83.33%	-	-
Ashwini K. Pathare	5,00,000	16.67%	-	-

## 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 shareholder.

3.5 Company had issued and allotted 30,00,000 convertible warrants at price of ₹ 38 per warrant determined under regulation of SEBI (ICDR) Regulation, 2009 to person belongs to Promoter Group. The warrants will be converted into Equity shares within a period of 18 months from the date of issue and allotment.

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.



## Notes forming part of the financial statements

	As at 31 March, 2015 (₹ in Lakhs)	As at 31 March, 2014 (₹ in Lakhs)
<b>4. RESERVE AND SURPLUS</b>		
<b>(a) Capital Redemption Reserve</b>		
Opening balance	2,850.05	2,850.05
Add: Transferred from surplus in statement of Profit and Loss	789.97	-
Closing balance	3,640.02	2,850.05
<b>(b) Securities Premium</b>		
Opening balance	2,609.49	2,609.49
Add/(Less): During the year	-	-
Closing balance	2,609.49	2,609.49
<b>(c) General Reserve</b>		
Opening balance	1,450.00	1,380.00
Add: Transferred from surplus in Statement of Profit and Loss	70.00	70.00
(Less): Additional depreciation pursuant to enactment of schedule II of the Companies Act 2013	(307.72)	-
	1,212.28	1,450.00
<b>(d) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	920.70	674.95
Add: Profit / (Loss) for the year	698.87	532.66
	1,619.57	1,207.61
Less: Dividend paid on redemption of Redeemable Preference Shares	23.16	-
Proposed Dividend on Equity Share 20 paise per share (previous year 25 paise per share)	189.23	126.15
Proposed Dividend on Preference Share, ₹5/- per share (previous year ₹5/- per share)	19.75	59.25
Dividend Distribution Tax	45.65	31.51
Less : Transferred to: General reserve	70.00	70.00
Transferred to Capital Redemption Reserve	789.97	-
Closing balance	481.81	920.70
<b>Total</b>	<b>7,943.60</b>	<b>7,830.24</b>
<b>5. DEFERRED TAX LIABILITIES (NET)</b>		
<b>Opening balance</b>	<b>1,251.46</b>	<b>1,209.13</b>
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	(12.89)	42.33
Tax effect of items constituting deferred tax liability	(12.89)	42.33
Tax effect of items constituting deferred tax assets		
MAT Tax Credit	-	-
Others	-	-
Tax effect of items constituting deferred tax assets	-	-
<b>Net deferred tax liability</b>	<b>(12.89)</b>	<b>42.33</b>
<b>Closing balance</b>	<b>1,238.57</b>	<b>1,251.46</b>
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.		
<b>6. OTHER LONG-TERM LIABILITIES</b>		
Others:		
(i) Trade / security deposits received	377.28	378.58
(ii) Vehicle loans	15.09	24.30
<b>Total</b>	<b>392.37</b>	<b>402.88</b>

## Notes forming part of the financial statements

	As at 31 March, 2015 (₹ in Lakhs)	As at 31 March, 2014 (₹ in Lakhs)
<b>7. SHORT TERM BORROWINGS</b>		
<u>Secured</u>		
From Banks		
Cash credit	7,708.92	7,326.54
Stand by Line of Credit (SLOC)	505.52	-
Purchase Bill Discounting	983.58	831.27
Buyers Credit - Kotak Mahindra Bank	-	145.66
<u>Unsecured</u>		
Short Term Loan	228.06	-
<b>Total</b>	<b>9,426.08</b>	<b>8,303.47</b>

**Notes:**

- (i) Working Capital Loan secured by way of Hypothecation of Inventories, Book Debts & Movable Fixed Assets of the Company and further secured by way of First charge of Property situated at GIDC-Umergaon (Gujarat), Kachigam (Daman), SIPCOT-Perundurai (Tamil Nadu), Edyaarpalayam (Tamil Nadu) and Thingalur (Tamil Nadu).
- (ii) The unsecured loan received from the Promoter of the Company.

**8. TRADE PAYABLES****Trade Payables:**

Acceptances	1,153.92	1,061.65
Other than Acceptances	2,014.90	2,254.78
<b>Total</b>	<b>3,168.82</b>	<b>3,316.43</b>

\* 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	9.35	14.93
Provision for Taxation	385.55	282.94
Unpaid dividends #	17.51	20.23
Salary Payable	54.17	95.92
Electricity payable	2.84	3.86
Provision for Outstandings	357.02	352.26
Other payables *	175.64	96.46
<b>Total</b>	<b>1,002.08</b>	<b>866.60</b>

# 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	33.90	34.50
For Equity Dividend	189.23	126.15
For Preference Dividend	19.75	59.25
For Tax on Dividends	44.52	31.51
<b>Total</b>	<b>287.40</b>	<b>251.41</b>

## Notes forming part of the financial statements

## 11. FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross Block					Depreciation					Net Block	
	As at 4/1/2014	Additions	Deductions	General Reserve	As at 3/31/2015	Upto 4/1/2014	For the Year	Deductions	General Reserve	Upto 3/31/2015	As at 3/31/2015	As at 3/31/2014
<b>TANGIBLE ASSETS</b>												
Land (Feeehold)	76.80	-	-	-	76.80	-	-	-	-	-	76.80	76.80
Land (Leasehold)	158.20	-	-	-	158.20	-	-	-	-	-	158.20	158.20
Building (Warehouse)	5.88	-	-	-	5.88	2.15	0.50	-	-	2.65	3.23	3.73
Building (Factory)	2,650.26	7.92	-	-	2,658.18	505.15	92.39	-	16.21	613.75	2,044.43	2,145.11
Plant and Equipment	4,906.24	236.50	-	-	5,142.74	1,848.50	323.31	-	89.12	2,260.88	2,881.86	3,057.74
Furniture and Fixtures	280.22	11.20	-	-	291.42	150.45	20.29	-	26.80	197.54	93.88	129.77
Vehicles	212.27	-	-	-	212.27	71.40	24.56	-	10.23	106.19	106.08	140.87
Office Equipment	83.68	2.23	0.26	-	85.65	55.84	4.74	0.25	13.71	74.04	11.61	27.84
Electrical Installation	207.10	-	-	-	207.10	98.44	4.68	-	76.85	179.97	27.13	108.67
Boiler	65.00	-	-	-	65.00	48.15	1.69	-	-	49.84	15.16	16.85
Effluent Treatment Plant	13.76	-	-	-	13.76	13.76	-	-	-	13.76	-	-
Computers and Accessories	207.12	22.79	-	-	229.91	155.65	18.49	-	6.23	180.37	49.55	51.48
<b>INTANGIBLE ASSETS</b>												
Goodwill and Other Right	1,258.21	-	-	68.56	1,189.65	-	-	-	-	-	1,189.65	1,258.21
<b>Total</b>	<b>10,124.75</b>	<b>280.64</b>	<b>0.26</b>	<b>68.56</b>	<b>10,336.57</b>	<b>2,949.49</b>	<b>490.65</b>	<b>0.25</b>	<b>239.15</b>	<b>3,678.99</b>	<b>6,657.58</b>	<b>7,175.27</b>
Capital Work in Progress	-	185.05	-	-	185.05	-	-	-	-	-	185.05	-
<b>Grand Total</b>	<b>10,124.75</b>	<b>465.69</b>	<b>0.26</b>	<b>68.56</b>	<b>10,521.62</b>	<b>2,949.49</b>	<b>490.65</b>	<b>0.25</b>	<b>239.15</b>	<b>3,678.99</b>	<b>6,842.63</b>	<b>7,175.27</b>
<b>Previous Year</b>	<b>9,630.74</b>	<b>623.69</b>	<b>129.69</b>	<b>-</b>	<b>10,124.74</b>	<b>2,687.12</b>	<b>351.05</b>	<b>88.68</b>	<b>-</b>	<b>2,949.49</b>	<b>7,175.27</b>	<b>-</b>

	As at 31 March, 2015 (₹ in Lakhs)	As at 31 March, 2014 (₹ in Lakhs)
<b>12. NON-CURRENT INVESTMENTS</b>		
<b>Quoted</b>		
(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
	<b>5.52</b>	<b>5.52</b>
(B) Investment in Government or trust securities		
(i) Government Securities NSC	1.15	1.15
	<b>1.15</b>	<b>1.15</b>
<b>Total</b>	<b>6.67</b>	<b>6.67</b>
Less: Provision for diminution in value of investments	5.52	5.52
<b>Total</b>	<b>1.15</b>	<b>1.15</b>
Aggregate amount of quoted investments	5.52	5.52
Aggregate market value of listed and quoted investments	-	-

## Notes forming part of the financial statements

	As at 31 March, 2015 (₹ in Lakhs)	As at 31 March, 2014 (₹ in Lakhs)
<b>13. LONG TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Security deposits	120.87	119.33
Loans and advances to employees	16.07	18.39
Advance income tax (net of provisions)	241.28	273.97
Sales Tax refund receivable	396.94	340.84
Duty draw back receivable	80.05	55.41
Interest receivable	1.70	1.70
Service Tax credit receivable	0.17	47.53
Insurance claim Receivable*	583.80	583.80
SHIS Export Incentive	-	42.58
Other loans and advances	66.60	27.20
<b>Total</b>	<b>1,507.48</b>	<b>1,510.75</b>
* Loans and advance include insurance claim receivable for loss of fixed assets ₹163.19 Lakhs and for loss of stock ₹420.60 Lakhs.		
<b>14. INVENTORIES</b>		
(As certified by Management)		
Raw Materials	3,143.24	2,429.88
Stock in Process	3,314.14	3,504.96
Finished Goods	2,776.68	4,073.88
<b>Total</b>	<b>9,234.06</b>	<b>10,008.72</b>
<b>15. TRADE RECEIVABLES</b>		
Trade receivables outstanding for a period exceeding six months		
Secured, considered good		
Unsecured, considered good	742.68	603.88
Doubtful	223.00	168.52
	<b>965.68</b>	<b>772.40</b>
Less: Provision for doubtful trade receivables	223.00	168.52
	<b>742.68</b>	<b>603.88</b>
Other Trade receivables		
Secured, considered good	377.28	378.58
Unsecured, considered good	6,442.14	4,664.93
	<b>6,819.42</b>	<b>5,043.51</b>
<b>Total</b>	<b>7,562.10</b>	<b>5,647.39</b>
Note: Trade Receivables includes debt due from:		
Firm in which a director is a partner.		
Pats Treasures	0.11	21.13
	<b>0.11</b>	<b>21.13</b>

## Notes forming part of the financial statements

	As at 31 March, 2015 (₹ in Lakhs)	As at 31 March, 2014 (₹ in Lakhs)
<b>16. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	0.21	4.75
Balances with banks		
In current accounts	34.75	49.01
In Deposit accounts	201.66	197.91
In earmarked accounts		
- Unpaid dividend accounts	17.51	20.23
<b>Total</b>	<b>254.13</b>	<b>271.90</b>
<b>17. SHORT TERM LOANS AND ADVANCE</b>		
Unsecured Considered Good		
Rent receivable	9.04	9.04
Prepaid expenses	46.85	41.76
<b>Total</b>	<b>55.89</b>	<b>50.80</b>
<b>18. REVENUE FROM OPERATION</b>		
(a) Sale of products (Refer Note (i))	25,918.20	25,610.18
(b) Other operating revenues (Refer Note (ii))	191.41	131.38
<b>Total</b>	<b>26,109.61</b>	<b>25,741.56</b>
<b>Note</b>		
(i) Sale of products comprises :-		
Manufactured goods	25,256.73	24,866.66
Knit wear		
Other	661.47	743.52
<b>Total</b>	<b>25,918.20</b>	<b>25,610.18</b>
(ii) Other operating revenues comprise:-		
Sale of scrap	52.86	13.17
Duty drawback and other export incentives	138.55	118.21
<b>Total</b>	<b>191.41</b>	<b>131.38</b>
<b>19. OTHER INCOME</b>		
Interest income	22.30	29.23
Rental income from investment properties	11.30	29.78
Profit on sale of fixed assets (net of expenses directly attributable)	0.02	0.06
Miscellaneous income	14.53	68.26
Insurance Claim	2.15	5.99
<b>Total</b>	<b>50.30</b>	<b>133.32</b>

## Notes forming part of the financial statements

	For the year ended 31 March, 2015 (₹ in Lakhs)	For the year ended 31 March, 2014 (₹ in Lakhs)
<b>20. A. COST OF MATERIAL CONSUMED</b>		
Opening stock	2,429.87	2,506.01
Add: Purchases	14,807.29	15,303.15
	<b>17,237.16</b>	17,809.16
Less: Closing stock	3,143.24	2,429.87
<b>Cost of material consumed</b>	<b>14,093.92</b>	15,379.29
<b>B. CHANGE OF INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS</b>		
Inventories at the end of the year:		
Finished goods	2,776.68	4,073.88
Work-in-progress	3,314.13	3,504.96
	<b>6,090.81</b>	7,578.84
Inventories at the beginning of the year:		
Finished goods	4,073.88	4,796.47
Work-in-progress	3,504.96	3,460.69
	<b>7,578.84</b>	8,257.16
<b>Net (increase) / decrease</b>	<b>1,488.03</b>	678.32
<b>21. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and wages	1,454.91	1,346.34
Contributions to provident and other fund (Gratuity Fund)	197.21	147.93
Staff welfare expenses	72.62	74.43
Directors' Commission	12.17	9.69
<b>Total</b>	<b>1,736.91</b>	1,578.39
<b>22. FINANCE COST</b>		
(a) Interest expense on:-		
(i) Borrowings	1,151.18	1,157.08
(ii) Interest on security deposit	37.96	36.17
(b) Other borrowing costs :-		
(i) Processing Charges	43.32	54.09
(ii) Bank charges	21.75	22.51
<b>Total</b>	<b>1,254.21</b>	1,269.85



## Notes forming part of the financial statements

	For the year ended 31 March, 2015 (₹ in Lakhs)	For the year ended 31 March, 2014 (₹ in Lakhs)
<b>23. OTHER EXPENSES</b>		
Books & Periodicals	15.29	15.13
Business promotion	120.37	137.30
Communication (Postage & Telephone)	50.27	55.41
Festival Expenses	9.62	11.27
Freight and forwarding	528.69	454.72
Freight Inward	175.55	228.68
Garmenting charges	2,543.86	2,326.78
Insurance	62.53	46.56
Knitting and processing charges	429.97	407.36
Legal and professional	159.20	126.42
Loss on fixed assets sold / scrapped / written off	-	31.84
Membership & Seminar Expenses	3.11	26.98
Expenditure towards Corporate Social Responsibility (CSR) Activities	14.04	-
Miscellaneous expenses	33.66	67.25
Sundry Balance Written Off / Back	86.99	-
Payments to auditors (Refer Note (i) below)	18.85	14.50
Power and fuel	240.99	267.38
Printing & stationery and Computer Expenses	51.75	41.91
Provision for doubtful trade and other receivables, loans and advances (net)	232.58	202.41
Rates and taxes	106.59	37.54
Rent	162.11	193.49
Repairs and maintenance - Buildings	6.85	2.86
Repairs and maintenance - Machinery	52.27	49.37
Repairs and maintenance - Others	113.84	65.34
Sales commission	146.29	191.62
Sales Tax & Turnover Tax	10.77	41.65
Security Service Charges	41.60	56.67
Travelling , conveyance and motor car	400.32	389.10
Water Expenses	24.88	27.69
<b>Total</b>	<b>5,842.84</b>	<b>5,517.23</b>
<b>Notes:</b>		
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	15.48	12.00
For taxation matters	3.37	2.50
<b>Total</b>	<b>18.85</b>	<b>14.50</b>

## 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 ₹ 175.67 Lakhs (Year ended 31 March, 2014 ₹ 118.90 Lakhs) 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, 2015 (₹ in Lakhs)		Year ended 31 March, 2014 (₹ in Lakhs)	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Components of employer expense</b>				
Current service cost	13.30	4.77	14.31	6.08
Interest cost	14.02	6.09	13.65	5.19
Expected return on plan assets	(19.27)	-	(17.53)	-
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Past service cost	-	-	-	-
Actuarial losses/(gains)	(6.69)	6.40	(18.33)	2.52
<b>Total expense recognized in the Statement of Profit and Loss</b>	<b>1.36</b>	<b>17.26</b>	<b>(7.90)</b>	<b>13.79</b>
<b>Actual contribution and benefit payments for year</b>				
Actual benefit payments	-	-	-	-
Actual contributions	-	-	-	-
<b>Net asset / (liability) recognized in the Balance Sheet</b>				
Present value of defined benefit obligation	190.83	-	175.23	-
Fair value of plan assets	228.92	-	214.67	-
Funded status [(Surplus) / Deficit]	(38.09)	-	(39.44)	-
Unrecognized past service costs	-	-	-	-
<b>Net asset / (liability) recognized in the Balance Sheet</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in defined benefit obligations (DBO) during the year</b>				
Present value of DBO at the beginning of the year	175.23	65.00	170.58	61.88
Current service cost	13.30	4.77	14.31	6.08
Interest cost	14.02	6.09	13.65	5.19
Actuarial (gains) / losses	(6.69)	6.40	(18.33)	2.52
Benefits paid	(5.02)	(13.06)	(4.98)	(11.67)
Present value of DBO at the end of the year	190.84	69.20	175.23	65.00
<b>Change in fair value of assets during the year</b>				
Plan assets at the beginning of the year	214.67	-	202.12	-
Expected return on plan assets	19.27	-	17.53	-
Actual company contributions	-	-	-	-
Actuarial gain / (loss)	-	-	-	-
Benefits paid	(5.02)	-	(4.98)	-
Plan assets at the end of the year	228.92	-	214.67	-
<b>Actuarial assumptions</b>				
Discount rate	8.00%	8.00%	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%

## 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  
 Maxwell Health & Hygiene Private Limited  
 Shogun Chemicals Private Limited  
 HYBO Hindustan  
 PAKO Hindustan \*  
 Pats Treasures \*  
 Unnati Ventures  
 Kanishk Capital Partners  
 K. 3 Realtors  
 Global Construction  
 Pathare Agro Farms

Note: Related parties have been identified by the Management.

\* Transactions with Related Parties.

b. Details of related party transactions and Balance outstanding as at 31<sup>st</sup> March, 2015:

Particulars	Year ended 31 March, 2015 (₹ in Lakhs)	Year ended 31 March, 2014 (₹ in Lakhs)
<b>Associates</b>		
Purchase of services	95.84	123.76
Sale of goods	-	-
Remuneration to Directors	112.26	112.26
Balances outstanding at the end of the year		
Trade receivables	56.30	436.49
Trade payables	55.78	43.40
<b>26. Earnings per share</b>		
Net Profit /(Loss) After Tax	698.87	532.67
Less:-Preference Dividend and Tax thereon	19.75	68.86
Net Profit/(loss) for the year attributable to the Equity Shareholders	679.12	463.80
Weighted average number of equity shares	6,30,77,215	6,30,77,215
Par value of equity shares	₹ 2/-	₹ 2/-
Earnings per share - Basic & Diluted	1.08	0.74

## 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, 2015 (₹ in Lakhs)	Year ended 31 March, 2014 (₹ in Lakhs)
Guarantees given by Bank	21.10	23.35
Claims against the company not acknowledged as debts -		
Cotton Corporation of India	33.83	33.83
Income Tax Liability in Appeal by IT department	1,175.53	1,157.49
Letter of Credits	471.65	283.13

FINANCIAL HIGHLIGHTS

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

	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Equity Share capital	1262	1262	1262	1262	1262	1262	1262	1262	1262	1078*
Redeemable Pref. Shares Capital	395****	1185	1185	1185***	1814**	2435	2435	2435	2435	2435
Convertible Pref. Shares Capital	-	-	-	-	-	-	-	-	1600	-
Reserves & Surplus	7944	7830	7515	7482	7328	7360	7143	6934	6505	3516
Misc. exp. not written off	-	-	-	-	-	14	38	61	109	87
Net Worth	9206	9092	8777	8744	8590	8608	8367	8135	7658	4507
Long term Debts	-	-	-	-	597	1321	2259	1323	2027	1578
Net Asset Block	6658	6944	7033	8031	7592	7928	8295	5628	5379	
Total Income	26160	25875	25491	22056 <sup>#</sup>	23220	21139	19818	20780	19485	17534
Profit before tax	1091	806	439	875 <sup>#</sup>	240	1067	1102	1584	1385	1451
Taxation	390	273	154	152	77	365	394	578	547	547
Profit after tax	701	533	285	464 <sup>#</sup>	163	702	708	1006	903	904
Dividend Rate on										
Equity share	15.00%	10.00%	12.50%	15.00%	5.00%	20.00%	20.00%	22.50%	20.00%	15.00%
Redeemable Pref. Shares	5.00%	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	630.77	539*
Face value of Share-Equity (₹)	2	2	2	2	2	2	2	2	2	2
Preference (₹)	100	100	100	100	100	100	100	100	100	100
Earning per share (₹)	1.08	0.73	0.34	0.63	0.07	0.81	0.80	1.21	0.94	1.54
Book value per share (₹)	14.59	14.41	13.80	13.86	13.62	13.65	13.26	12.90	12.14	8.36
Current Ratio	1.23	1.34	1.22	1.32	1.26	1.68	1.77	1.79	1.95	1.55

\* 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.

\*\*\*\* ₹ 790 Lakhs 5% Redeemable Preference shares of ₹ 100/- each redeemed.

<sup>#</sup> Excluding yarn - discontinued operation.

### Route Map of the venue of the Annual General Meeting





# Frenchie

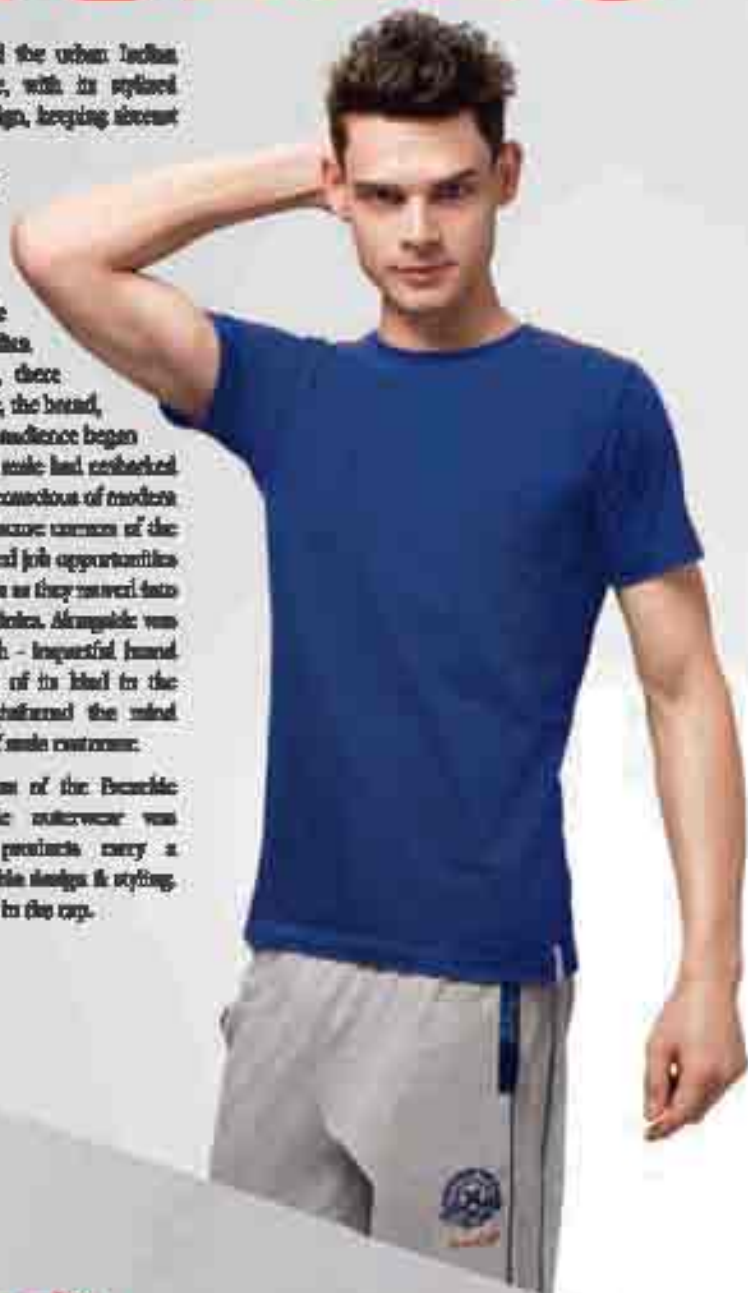
The 80s saw the emergence of a signature knit - brief called Frenchie.

Frenchie X was first created to appeal the needs of a section of male after - ego. It was directed to the new age man who had broken the shackles of conventional modesty. The X factor emerging from the brand promise, retained the perfection of a new age man. Sharp, intense and alluring. X was the new face of male sexuality knit and during.

The Frenchie brand secured the urban Indian male's most intimate desire, with its styled appearance, concept and design, keeping abreast with international trends.

The most common fantasy of an Urbanised Indian male is to be a Knight in his brief, serving a dame in distress. That's exactly how Frenchie first appeared on the Indian media. From then onwards, there was no looking back. Frenchie, the brand, began to grow in stature. The audience began to grow rapidly as the Indian male had embarked on an unbridled stride into a conscious of modern clothing and fashion from obscure corners of the country. Education & improved job opportunities pulled around such individuals as they moved into major cities to seek their destinies. Advertisements in this field, unbridled & high - budgeted brand campaign, probably the first of its kind in the country, which further reinforced the mind speak of this category of male costume.

Following the success of the Frenchie brief, the Frenchie underwear was launched. These products carry a promise of impeccable design & styling. Yet another feather in the cap.



## The Frenchie brand offers the following products :

- Innerewear** : Brief / Vest / Trunk / Boxer Shorts
- Loungewear** : T-Shirt / Track Pant / Muscle Tee / Bermuda / Shorts
- Gym Wear** : Vest
- Accessories** : Socks



# LEADER

The Leader brand, as its name suggests, has always lead in the inner wear category for the mass populace. Created specially for the rural and semi-urban markets, the brand stands out because of its uncompromising quality and comfortable fits, at attractively affordable price points.

Constantly evolving to keep in step with the changing needs and aspirations of the masses, Leader has a large range of products to cater to the requirements of men, women and children. Apart from inner wear, the brand has also forayed into thermal wear.

The Leader brand reflects the companies commitment to providing quality products for every segment of society.

## Product Portfolio -

<b>Males</b>	: Innerwear Thermal wear
<b>Female</b>	: Innerwear
<b>Kids</b>	: Innerwear Thermal wear



# Feelings



Feelings is a brand of women's intimate wear that caters to the modern, urban woman. The woman of today knows her mind and seeks a balance of trendy as well as comfortable inner wear - which is where Feelings comes in, with it's perfect blend of form and function.

The Feelings range offers basic as well as fancy and occasion specific inner wear. Having launched a range of T-shirts, camisoles, sports bras, track pants and socks, Feelings has now firmly positioned itself as the first choice of women when it comes to their inner wear as well as loungewear.

[www.facebook.com/FeelingsOfficial](http://www.facebook.com/FeelingsOfficial) [www.twitter.com/FeelingsOfficial](http://www.twitter.com/FeelingsOfficial)

Product offerings from Feelings are -

- Bras : Fundamental T-Shirt  
Sports
- Prints  
Loungewear : Track Pants  
T-Shirt  
Leggings
- Camisoles  
Socks





**Maxwell Industries Ltd.**

C - 6, Road No. 22, M.I.D.C., Anshet (E), Mumbai 400 063. Tel: +91 22 2625 7624 / 7627. Fax: +91 22 2637 1023 / 1024

**MAXWELL INDUSTRIES LIMITED**

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

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

CIN : L18101MH1991PLC059804 Website : [www.maxwell.in](http://www.maxwell.in) Email : [investor.relations@viporg.com](mailto:investor.relations@viporg.com)**ATTENDANCE SLIP****25<sup>TH</sup> ANNUAL GENERAL MEETING ON SATURDAY, 26<sup>TH</sup> SEPTEMBER, 2015, AT 11.00 A.M.**

Sr No:

<b>Regd. Folio/DP ID &amp; Client ID:</b>	
<b>Name and address of the shareholder(s)</b>	
<b>Joint Holders</b>	
<b>No. of Shares</b>	

I/We hereby record my/our presence at the **25<sup>th</sup> 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 Saturday, 26<sup>th</sup> September, 2015.**

Signature of the Attending Member : \_\_\_\_\_ Signature of Proxy : \_\_\_\_\_

Notes :

- 1) Member/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.
- 2) Member/Proxy holder desiring to attend the meeting should bring his/her copy of the Notice for reference at the meeting.

<b>EVSN (Electronic Voting Sequence Number)</b>	<b>*Default PAN</b>
<b>150825008</b>	

\* Only Shareholders who have not updated their PAN with Company / Depository Participant shall use Default PAN in the Pan Field.

Note: Please read the instructions given under the note no. 13 on page no.3 of Notice of 25<sup>th</sup> Annual General Meeting. The date of e-voting period is on 23<sup>rd</sup> September, 2015 to 25<sup>th</sup> September, 2015 from 10.00 am to 5.00 pm. The e-voting shall be disabled by CDSL for voting thereafter  
-----Cut here-----

**MAXWELL INDUSTRIES LIMITED**

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

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

CIN : L18101MH1991PLC059804 Website : [www.maxwell.in](http://www.maxwell.in) Email : [investor.relations@viporg.com](mailto:investor.relations@viporg.com)**FORM NO. MGT-11  
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	
No. of Shares held	
Folio No/ DP Id & Client Id	
<b>Joint Holder (s)</b>	
E-mail Id	

I/We, being the member (s) of \_\_\_\_\_ shares of above named company, hereby appoint:

1. Name: ..... Address: .....  
E-mail Id: ..... Signature: ..... or failing him / her
2. Name: ..... Address: .....  
E-mail Id: ..... Signature: ..... or failing him / her
3. Name: ..... Address: .....  
E-mail Id: ..... Signature: ..... or failing him / her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **25<sup>th</sup> Annual General Meeting** of the Company, to be held on **Saturday, 26<sup>th</sup> September, 2015 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:

Resolution No.	Resolution
	<b>Ordinary Business:</b>
1.	To receive, consider and adopt the audited financial statement for the financial year ended on 31 <sup>st</sup> March 2015, and the Reports of the Directors and Auditors thereon.
2.	To declare a dividend on Preference Shares.
3.	To declare a dividend on Equity Shares.
4.	To appoint a Director in place of Mr. Sunil J. Pathare (DIN 00192182), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
5.	Appointment of Statutory Auditors and fixing their remuneration.
	<b>Special Business:</b>
6.	Appointment of Mrs. Meher Castelino (DIN 07121874) as an Independent Director.
7.	To Alter the Articles of Association of the Company.

Signature of Member : ..... Signed this..... day of ..... 2015

Signature of Proxy holder(s): .....

Affix  
Revenue  
Stamp  
of '1/-**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. Further, a Member holding 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 names of all the joint holders should be stated.