



VIP
SPECTOR

VIP
SIGNOR

VIP
PUNCH

VIP
TRUNKS

VIP
Brief

VIP
NAWAB

VIP
Designer

VIP
LEADER

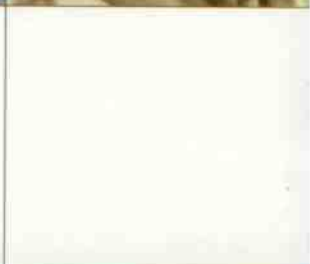
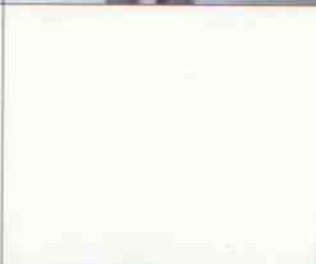
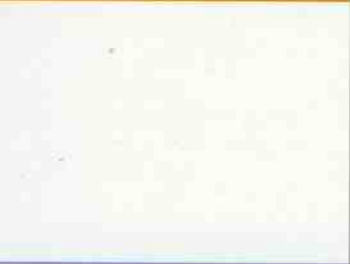
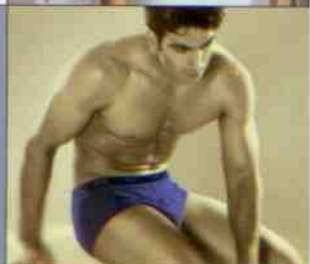
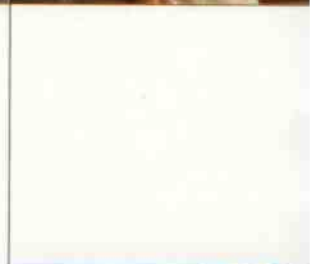
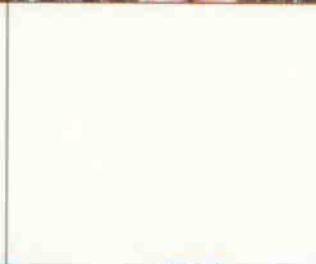
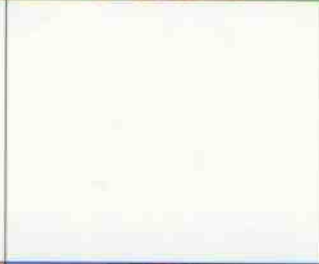
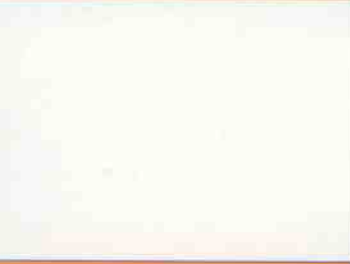
Frenchie **X**

VIP
BONUS

Frenchie ^{VIP}

^{VIP}
Feelings







Maxwell Industries Ltd.

17th Annual General Meeting

On 28th December 2007

BOARD OF DIRECTORS

Mr. Jaykumar K. Pathare	Chairman
Mr. L. Jaipal Reddy	Managing Director
Mr. Sunil J. Pathare	Director
Mr. L. Vinay Reddy	Director
Mr. Kapil J. Pathare	Director
Mr. R. Anand	Director
Dr. Arvind Kulkarni	Director
Mr. Durgesh Chandra	Director
Mr. Gopal Sehgal	Director
Mr. Chetan Sheth	Director
Mr. Srinath Srinivasan	Director
Mr. Robin Banerjee	Director

Vice President – Finance and Company Secretary

Mr. R. Venkataraman

Bankers

State Bank of India

Auditors

Attar & Co.

Chartered Accountants

Registered Office

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

Registrars, Share Transfer Agents and Custodians

Intime Spectrum Registry Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (W),
Mumbai – 400 078.
Tel.: 25963838

• CONTENTS •

Particulars	Page No.
Board of Directors & Other Information	1
Notice	2
Directors' Report	4
Corporate Governance	8
Auditors' Report	16
Balance Sheet	20
Profit & Loss Account	21
Cash Flow Statement	22
Schedules to Accounts	24
Balance Sheet Abstract and Company's General Business Profile	35



Maxwell Industries Ltd.

NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the Members of Maxwell Industries Limited will be held on Friday, 28th day of December, 2007, at 11.00 a.m (or after conclusion of the Adjourned 16th Annual General Meeting of the Company which ever is earlier) at the All India Plastics Manufacturers' Association, Plot No. A-52, Road No. 1, MIDC, Marol, Mumbai – 400093 to transact the following business:

ORDINARY BUSINESS :

- 1 To consider and adopt the Balance Sheet as at 31st March, 2007, the Profit & Loss Account for the year ended on that date and reports of the Board of Directors and Auditors thereon.
- 2 To confirm payment of Interim Dividend on Preference Shares as final dividend.
- 3 To confirm the Interim Dividend and declare the final dividend on Equity Shares.
- 4 To appoint a Director in place of Mr. R. Anand who retires by rotation and being eligible, offers himself for re-appointment.
- 5 To appoint a Director in place of Mr. L.Vinay Reddy who retires by rotation and being eligible, offers himself for re-appointment.
- 6 To appoint a Director in place of Mr. Durgesh Chandra who retires by rotation and being eligible, offers himself for re-appointment.
- 7 To reappoint Messrs. Attar & Co., Chartered Accountants, as the Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

By order of the Board of Directors
for **MAXWELL INDUSTRIES LTD.**

Place : Mumbai
Date : 27th November, 2007

R.Venkataraman
Vice President Finance
& Company Secretary

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

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Proxy form duly completed must reach the Registered Office of the Company not later than forty eight hours before the time appointed for holding the meeting.
3. The Register of members and the share transfer books of the Company will remain closed from 21st December 2007 to 28th December 2007 (both days inclusive).
4. The Company has transferred the unclaimed dividend upto the financial year ended 31st March 2000 to the Investors Education and Protection Fund (IEPF) of the Central Government. The Members who have not claimed their dividend for the financial years 2000-01, 2001-02, 2002-03, 2003-04 and 2004-05 and Interim dividend of 2006-07 are requested to claim it from the Company immediately.
5. The board of Directors at their meeting held on 10th February, 2007, declared an interim dividend of 10% on outstanding Equity shares of Rs.2/- each for the year ended 31st March, 2007. The same has been paid on 5th March, 2007 to the Company's equity shareholders whose name appears on the register of members as beneficial owner at the close of business hours as on Record Date (at the close of the business hours on 3rd March, 2007).
6. Members are requested to notify any change in their address to the company at its Registered Office or to the Registrar and Share Transfer Agents, Intime Spectrum Registry Limited., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai – 400078.



Maxwell Industries Ltd.

7. Members desirous of obtaining any information concerning accounts of the Company are requested to address their queries to the Company Secretary atleast two days before the date of the meeting, to enable the information required to be made available at the meeting, to the extent possible.
8. Members may be aware that the Equity Shares of the Company have been sub-divided from Equity Share of Rs. 10/- each to 5 Equity Shares of Rs. 2/- each in terms of resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting of the Company held on 1st February, 2007. The Members who have not send their share certificate of Rs.10/- each of the Company for exchange with new Equity Shares of Rs. 2/- each should send the same to the Company's Registrar & Transfer Agent, M/s. Intime Spectrum Registry Limited since the old share certificate of Rs.10/- each are no longer tradable.
9. Members / proxies are requested to bring the attendance slip duly filled in for attending the meeting and copy of their Annual report.

Annexure to the Notice

As the members are aware that the 16th Annual General Meeting of the Company was adjourned sine die without adoption of financial account for the year ended 31st March 2006 pending the merger of M/s. Lovable Lingeries Private Limited with the company (w.e.f.1st October, 2005). The Company also has the other merger of M/s. Microtex India Limited with the Company pending (w.e.f. 1st April, 2006).

At present, the Amalgamation/Merger of both the Companies viz. M/s.Lovable Lingeries Private Limited and M/s. Microtex India Limited with the Company is still pending before the Hon'ble High Court of Bombay.

In order to comply with the statutory provisions of the Companies Act, 1956 and provisions of other acts/ regulation as may be applicable to the Company relating to adoption of annual accounts and holding the Annual General Meeting of the Company for the subsequent financial years of the Company, the Company proposes to adopt the Annual Audited Financial Accounts for 31st March 2006 on a stand alone basis without giving effect of merger of M/s. Lovable Lingeries Private Limited and M/s. Microtex India Limited with the Company.

By order of the Board of Directors
for **MAXWELL INDUSTRIES LTD.**

Place : Mumbai
Date : 27th November, 2007
Registered Office:
C-6, Road No. 22, MIDC
Andheri (East),
Mumbai – 400 093.

R.Venkataraman
Vice President Finance
& Company Secretary



Maxwell Industries Ltd.

DIRECTORS' REPORT

To,

THE MEMBERS

MAXWELL INDUSTRIES LTD.

The Directors of your Company are pleased to present the 17th Annual Report on the working and the progress of the Company along with audited accounts for the year ended on 31st March 2007 and report of the Auditors thereon.

(Rupees in Lacs)

FINANCIAL RESULTS	Current Year Ended 31/03/2007	Previous Year Ended 31/03/2006
Profit before Advertisement, Interest, Depreciation & Income Tax	3408.98	3400.84
Less : Advertisement	1194.30	892.03
Less : Interest	396.09	538.86
Less : Depreciation	433.60	518.66
Profit before tax	1384.99	1451.29
Less : Provision for income tax - Current & FBT	316.73	517.41
Add / (Less): Provision for income tax - Deferred	165.71	(29.59)
Profit after tax	902.55	904.29
Less : Tax adjustment for previous year	45.75	57.09
Profits for the year	856.80	847.20

DIVIDEND

(Rupees in Lacs)

	Current Year Ended 31/03/2007	Previous Year Ended 31/03/2006
5% Redeemable Preference Shares (interim)	121.75	19.69
10% Optionally Convertible Preference shares (interim)	138.96	Nil
Equity Shares		
Interim Dividend	126.15	Nil
Proposed Final Dividend	126.15	161.70

During the year 2006-07 interim equity dividend @ 10% and interim dividend of 5% on Redeemable Preference Shares and interim dividend of 10% on Optionally Convertible Preference Shares was declared out of the profits of the Company. Your directors, further recommend a final equity dividend of 10% for the year ended 2006-07. This Dividend (along with dividend on Preference shares and income tax) will absorb Rs. 588.71.

OPERATIONS

The operations during the year ended on 31st March 2007 were encouraging. The sales of the Company for the year under review stood at 19590.34 lacs as against the sales of Rs. 16921.64 lacs of the previous year i.e. an increase of 15.77% in sales. This was mainly due to the selling, marketing and advertising strategy of the Company. The profit before tax however was lower at Rs.1384.99 Lacs (on of increased advertisement spends) as against Rs.1451.29 Lacs in the previous year. The profit after all tax adjustment was Rs.856.80 Lacs as against Rs.847.20 Lacs in the previous year.



Maxwell Industries Ltd.

EXPANSION AND DIVERSIFICATION

The expansion program conceptualized by the Company in the year 2005 has been successfully implemented this year. During the year the Company launched new products in the market viz. VIP Feelings Exotica Bra, VIP Feelings Exotica panties, VIP Feelings Sports Bra, VIP Frenchie X Vogue, VIP Frenchie X Fling, VIP Frenchie X Enticer & VIP Freakout shorts.

Our Company's plant at Thingallur for the in house production of the products has started commercial production effective 15th September 2007. Previously the same production was being carried out in Tirupur through outsourced operations. This will result in a substantial savings in cost, improvement in quality and better availability of our Company's product line.

Our main focus will be on Research and Development and to build strong technical partnerships with industry leaders to continuously improve our processes resulting in cost cutting, higher process yields and also creating economies of scale in production to remain competitive. With these efforts in place our Company is confident of meeting competition and challenges both internal and external.

HOSIERY DIVISION

The Hosiery division of the Company has been constantly doing well in the last few years. There has been number of new products introduced in the market every year. While designing new product the main emphasis is on the customer satisfaction. Proper market survey is done to understand the customers need and accordingly the products are designed and launched in the market. We have achieved a substantial growth in this segment which is reflected by the increasing number of products of this division in the market over the years.

SPINNING DIVISION

The spinning division of the company continued to perform well during the financial year with optimization of capacities and product mix. Better procurement strategies adopted also led to better realization. However during the current Financial year, conditions have started to tighten with increase in prices in both international and Indian market for raw cotton and a drop in the yarn price realization, due to drop in yarn exports resulting from appreciating Indian Rupees.

REDEMPTION OF 10% OPTIONALLY CONVERTIBLE PREFERENCE SHARES

M/s. Reliance Capital Partners, Mumbai, exercised the option to redeem the 16,00,000 10% Optionally Convertible Preference Shares of Rs.100/- each held by them. Accordingly, the said shares were redeemed by your Company on 18th November 2007.

NSE LISTING

The company obtained listing of its shares in the National Stock Exchange Of India Limited from 6th August 2007, to improve the trading options for the shareholders. With this listing, shares of our company are now listed in OTCEI, BSE and NSE .

FIXED DEPOSIT

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

DIRECTORS

Mr. R. Anand, Mr. Vinay Reddy, Mr. Durgesh Chandra, are Directors of the Company, who retire by rotation and being eligible, offer themselves for re-appointment.

Mr. Srinath Srinivasan who was appointed by the Board of directors of the company on 19th May, 2007, has resigned from the Board w.e.f. 31st May 2007.

Mr. Tushar Sanghani was appointed alternate director to Mr. Srinath Srinivasan effective 28th July, 2006, he also vacates office on 31st May 2007.



Maxwell Industries Ltd.

AUDITORS

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

PERSONNEL

To meet the ambitious growth plans of the Company, a structured organization with succession planning and strategies for development of the required technical and managerial skills within the organization are being developed. The Company is deputing its personnel for various training programs in established institutions besides in house training so as to improve the managerial and technical skills.

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

Energy conservation, technology absorption & foreign exchange earning & outgo.

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

Particulars of Employees:

The Information required to be disclosed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 is not applicable to the company for the year ending on 31st March 2007.

DIRECTORS' RESPONSIBILITY

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

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- Appropriate accounting principles have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2007 and of the profits of the Company for the period ended 31st March, 2007.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

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

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, OTC Exchange of India, Bombay Stock Exchange, National Stock Exchange of India Limited, shareholders, suppliers and esteemed customers of the Company. The Board of Directors also thank all the employees of the company for their contribution and continued co-operation throughout the year.



CAUTIONARY STATEMENT

Statement made in the report and elsewhere, as applicable, 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

Mumbai
Date: 27th November 2007

J.K. Pathare
(Chairman)

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

ANNEXURE TO DIRECTORS REPORT

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

A) CONSERVATION OF ENERGY

- a) The products manufactured and sold by the Company are not power intensive; hence the impact on overall cost is marginal. However, steps have been taken to ensure energy conservation in the processing unit. Additional investments and proposals for reduction of energy consumption: NIL
- b) Total energy consumption and energy consumption per unit of production as per FORM A of the Annexure in respect of Industries specified in scheme thereto:

Year	Units Consumed	Units Consumed per kg. of Production
Current year	150.07 lacs	2.59
Previous year	145.77 lacs	3.52

B) TECHNOLOGY ABSORPTION

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

C) FOREIGN EXCHANGE EARNING AND OUTGOING

The Company has earned Rs.1052.88 lacs (Previous year Rs.43.01 lacs) from exports during the year. The total amount of outgo on account of foreign exchange utilised by the Company amounted to Rs.842.08 lacs (Previous year Rs.327.65 lacs) mainly on account of import of machinery, raw material and interest on foreign currency loan.



Maxwell Industries Ltd.

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 stake holders, including amongst others, shareholders, customers, employees and the community in which the Company operates.

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

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

As on 31st March 2007, the Board comprised of a Chairman, Managing Director, and three other Directors representing promoters group and also six independent Directors. The board met Nine times during the last financial year on 19.04.2006, 15.05.2006, 19.05.2006, 30.06.2006, 28.07.2006, 23.08.2006, 31.10.2006, 31.01.2007 and 10.02.2007. The last AGM was held on 25th September, 2006 which was adjourned sine die and Extraordinary General Meeting was held on 15th May, 2006.

COMPOSITION OF BOARD AND ATTENDANCE RECORD

Name of Director	Category	No. of other directorships/ Board Committees	No. of Board Meetings attended	Whether last AGM attended	Whether last EGM attended
Shri. J. K. Pathare, Chairman	Promoter	5	9	Yes	Yes
Shri. L.J. Reddy, Mg. Director	Promoter	4	9	Yes	Yes
Shri. L. Vinay Reddy, Director	Promoter	12	7	No	No
Shri. Sunil J. Pathare, Director	Promoter	11	8	Yes	Yes
Shri. Kapil J. Pathare, Director	Promoter	-	8	Yes	Yes
Shri. R. Anand, Director	Independent	6	7	Yes	Yes
Dr. Arvind Kulkarni, Director	Independent	-	9	Yes	Yes
Shri. Durgesh Chandra, Director	Independent	-	4	Yes	No
Shri. Gopal Sehjpal, Director	Independent	1	4	Yes	No
Shri. Chetan Sheth, Director	Independent	2	8	Yes	Yes
Shri. Robin Banerjee, Director*	Independent	1	3	Yes	No



Maxwell Industries Ltd.

Name of Director	Category	No. of other directorships/ Board Committees	No. of Board Meetings attended	Whether last AGM attended	Whether last EGM attended
Shri. Srinath Srinivasan, Director**	Independent	2	2	-	-
Shri. Tushar Sanghani	Alternate Director to Shri. Srinath Srinivasan	0	3	-	-

* Shri. Robin Banerjee was appointed as the additional director of the company effective 30th June, 2006.

** Shri. Srinath Srinivasan representing Reliance Capital Partners was appointed as the Additional Director of the Company effective 19th May, 2006, Shri. Tushar Sanghani was appointed as an alternate Director to Shri. Srinath Srinivasan effective 28th July, 2006.

Remuneration of Directors

(Figures in Rupees)

Director	Relationship with other Director/s	Business relationship with the company	Sitting Fees	Salary/ Perquisites	Commission	Total
Shri. J. K. Pathare, Chairman	Father of Mr. Sunil J. Pathare & Mr. Kapil J. Pathare	Promoter	N.A.	2150055	NIL	2150055
Shri L. J. Reddy, Mg. Director	Father of Mr. L. Vinay Reddy	Promoter	N.A.	2013667	NIL	2013667
Shri L. Vinay Reddy, Director	Son of Mr. L. Jaipal Reddy	Promoter	17500	N.A.	N.A.	17500
Shri Sunil J. Pathare, Director	Son of Mr. J. K. Pathare	Promoter	20000	N.A.	N.A.	20000
Shri Kapil J. Pathare, Director	Son of Mr. J. K. Pathare	Promoter	N.A.	934084	NIL	934084
Shri R. Anand, Director	None	None	17500	N.A.	N.A.	17500
Dr. Arvind Kulkarni, Director	None	None	22500	N.A.	N.A.	22500
Shri Durgesh Chandra, Director	None	None	10000	N.A.	N.A.	10000
Shri Gopal Sehjpal, Director	None	None	10000	N.A.	N.A.	10000
Shri. Chetan Sheth Director	None	None	20000	N.A.	N.A.	20000
Shri. Robin Banerjee Director	None	None	7500	N.A.	N.A.	7500



Maxwell Industries Ltd.

Director	Relationship with other Director/s	Business relationship with the company	Sitting Fees	Salary/ Perquisites	Commission	Total
Shri. Srinath Srinivasan	None	None	5000	N.A.	N.A.	5000
Shri Tushar Sanghani	Alternate to Srinath Srinivasan	None	7500	N.A.	N.A.	7500

Audit Committee

During the financial year audit committee met four times on 30.06.2006, 28.07.2006, 31.10.2006 and 31.01.2007. The attendance of each member to the committee meeting is as under;

Name	Designation	Status	No. of committee meeting attended
Shri. Gopal Sehjpal	Chairman	Independent Director	3
Dr. Arvind Kulkarni	Member	Independent Director	4
Shri. Sunil. J.Pathare	Member	Promoter Director	3
Shri. Chetan Sheth*	Member	Independent Director	3

* Shri. Chetan Sheth was appointed as member of the audit committee effective from 30th June, 2006.

The terms of reference include review of internal control system, quarterly results and annual accounts to be published, recommending the board on financial matters, interacting with auditors etc.

Investors Grievance Committee

The Investor Grievance committee met Five times during the last financial year on 19.05.2006, 30.06.2006, 28.07.2006, 31.10.2006, and 31.01.2007. The attendance of each member to the committee meeting is as under;

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

*Shri. Gopal Sehjpal was appointed as member of the Investor Grievance committee effective from 30th June, 2006.

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

General Body Meeting

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



Maxwell Industries Ltd.

Financial Year	Date	Time
2005-2006	25 th September 2006*	11.30 a.m
2004-2005	28 th September 2005	11.30 a.m.
2003-2004	01 st September 2004	11.30 a.m.

* Adjourned Sine Die

No special resolution was passed in these meetings. During the year two special resolutions were passed at the Extraordinary General Meeting of the Company held on 15th May, 2006 for increase in authorized share capital by alteration in Articles of Association and for issue of Equity Shares / Optionally Convertible Preference Shares.

Postal Ballot

The Company conducted a postal ballot in the year, the notice of which was issued on 7th May 2006 for approval of the share subscription cum shareholder agreement to be entered into by the Company with M/s Reliance Capital Partners for preferential allotment of 91,77,215 Equity Shares of Rs.2/- each at a premium of Rs.29.65/- per share and 16,00,000 10% Optionally Convertible Preference shares of Rs.100/- each and the same was approved by the shareholders on 15th May 2006.

Disclosure

- 1) The Company did not have any related party transactions, i.e. transactions of the Company 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.
- 2) The Company has complied with the requirements of regulatory authorities on capital markets and no penalty issued was imposed on the Company during the last three years.
- 3) The Company's financial statements are prepared as per Accounting Standard and the accounting principles generally accepted in India.
- 4) Secretarial Audit was carried by a qualified practicing Company Secretary to reconcile the total admitted capital with National Securities Depositories Limited (NSDL) and Central Depositories Services Limited (CDSL) with the total issued and listed capital. The Secretarial Audit Report confirms that the total issued / paid up capital is in agreement with the total number of dematerialized share held with NSDL and CDSL.

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.vipapparels.com

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

Quarterly Results (publishing dates)	Newspaper	
	Economic Times	Maharashtra Times
30 th June, 2006	31.07.2006	31.07.2006
30 th September, 2006	01.11.2006	01.11.2006
31 st December, 2006	01.02.2007	01.02.2007
31 st March, 2007	01.05.2007	01.05.2007



Maxwell Industries Ltd.

General Shareholders information

- A) Annual General Meeting is proposed to be held on Friday, 28th December, 2007 at 11.00 a.m.(or after conclusion of the Adjourned 16th Annual General Meeting of the Company which ever is earlier) at All India Plastics Manufacturers Association, MIDC, Andheri (East), Mumbai.
- B) **Financial Calendar 2007-08**
Quarterly Results : Within 30 days from the end of the quarter
Annual Results : September, 2008
- C) Book Closure : 21/12/07 to 28/12/07
(Both days inclusive)
- D) Dividend Payment (if approved)
For the Financial year 2005-06 : 1st week of January 2008.
Final for the Financial year 2006-07 : 1st week of January 2008.
- E) Registered office of the Company : C-6, Road No. 22, MIDC, Andheri (E)
Mumbai – 400 093.
- F) Registrar & Transfer Agent : Intime Spectrum Registry Ltd.
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (W)
Mumbai - 400 078
- G) Listing of Equity Share : The Bombay Stock Exchange Limited, Mumbai
The OTC Exchange of India, Mumbai
National Stock Exchange of India Limited
- H) Stock code : INE450G01016
- I) Stock Market Data :

Equity Shares :

Period	The Stock Exchange Mumbai (BSE) (in Rs.)		
	Month's High Price	Month's Low Price	Monthly Volume
April 2006	47.10	27.25	1677081
May 2006	42.65	32.70	1326311
June 2006	34.40	21.15	405253
July 2006	27.25	18.70	537350
August 2006	32.70	23.80	777221
September 2006	43.95	30.50	3692776
October 2006	40.65	30.50	2130814
November 2006	45.50	34.50	5813427
December 2006	45.00	37.30	2960867
January 2007	53.85	36.65	5515863
February 2007	53.75	40.10	2249689
March 2007	45.10	31.40	1685585



Maxwell Industries Ltd.

Distribution of Shareholders as on 31st March, 2007.

Slab of no. of Shareholding	Share holders	% of Shareholders	Amount (Rs.)	% of Amount
1-5000	4980	88.06	63,32,544	5.02
5001-10000	343	6.07	25,53,734	2.02
10001-20000	154	2.72	23,86,632	1.89
20001-30000	41	0.73	10,25,066	0.81
30001-40000	25	0.44	9,03,530	0.72
40001-50000	29	0.51	13,50,120	1.07
50001-100000	38	0.67	27,68,592	2.20
100001 above	45	0.80	10,88,34,212	86.27
TOTAL	5655	100.00	12,61,54,430	100.00

Shareholding pattern as on 31st March, 2007

Category	No. of Share held	% to total
1.1 Indian Promoters	4,03,48,927	63.97
1.2 Persons Acting in Concert	2,53,750	0.40
Sub-total	4,06,02,677	64.37
2.1 Mutual Funds & UTI	875	0.00
2.2 Banks, FIs, Insurance Companies	Nil	Nil
2.3 FIs	Nil	Nil
Sub-total	875	0.00
3.1 Bodies Corporates	1,34,11,889	21.27
3.2 Indian Public	82,66,181	13.10
3.3 NRIs. / OCBs.	2,28,137	0.36
3.4 Others	5,23,038	0.83
3.4 Clearing Members	44,418	0.07
Sub-total	2,24,73,663	35.63
Grand Total	6,30,77,215	100.00

Dematerialization of Shares:

About 81.35% of the shares of the Company have been dematerialized as on March 31st 2007. 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 Bombay Stock Exchange, National Stock Exchange of India Limited and Over The Counter Exchange of India.

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

Number of shares held in dematerialized and physical mode

	No. of Shares	% of total Shares issued
Holding in dematerialized form	51312610	81.35%
Holding in physical form	11764605	18.65%
Total	63077215	100%



Maxwell Industries Ltd.

The names and addresses of the Depositories are as under:

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

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 beneficial holdings so as to enable them to update the records and to send all corporate communications, dividend warrants, etc.

Plant Locations:

1. Spinning Mill:

Amman Koil Pathy, Kolappalur Village, Gobichettipalayam Taluk, Periyar District, Tamilnadu.

2. Process House:

- a) Plot no. 13-15, SIPCOT Industrial Growth Centre, Perundurai - 638 052, Dist Erode, Tamilnadu.
- b) C 119, TTC Industrial Area, MIDC, Pawane Village, Navi Mumbai, Maharashtra.

4. Stitching Unit:

- a) Plot No. 92/94, New GIDC, Umargaon – 396 171, Dist. Valsad, Gujarat.
- b) S. F. No. 125, 126 & 127, Appachimarmadam, Thingallur, Erode (DT) - Tamilnadu.

Investors Correspondence

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

M/s Intime Spectrum Registry Ltd.,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (W)
Mumbai - 400 078.
Tel No. - 022 25963838
Fax No. - 022 25946969

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



MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure and developments

The textile industry occupies a unique place in our country. One of the earliest to come into existence in India, it accounts for 14% of the total industrial production, contributes to nearly 30% of the total exports and is the second largest employment generator after agriculture. Although the development of textile sector was earlier taking place in terms of general policies, in recognition of the importance of this sector, for the first time a separate Policy Statement was made in 1985 in regard to development of textile sector. The textile policy of 2000 aims at achieving the target of textile and apparel exports of US \$50 billion by 2010 of which the share of garments will be US \$25 billion. The main markets for Indian textiles and apparels are USA, UAE, UK, Germany, France, Italy, Russia, Canada, Bangladesh and Japan.

Financial Review

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

Outlook and Opportunity

Developing countries with both textile and clothing capacity may be able to prosper in the new competitive environment after the textile quota regime of quantitative import restrictions under the multi-fibre arrangement (MFA) came to an end on 1st January, 2005 under the World Trade Organisation (WTO) Agreement on Textiles and Clothing. The elimination of quota restriction will open the way for the most competitive developing countries to develop stronger clusters of textile expertise, enabling them to handle all stages of the production chain from growing natural fibres to producing finished clothing. After the phasing out of quota regime under the multi-fibre pact, India can envisage its textile sector becoming \$100b industry by 2010. This will include exports of \$50b.

Outlook on threats, risks and concerns

There are many new entrants in the market leading to increase in competition. Quality of production and pricing of products needs to be specially emphasized on from customer's point of view. The industry being labour intensive, factors like demand of increase in wages, ability to attract and retain skilled and technically qualified professionals, maintaining quality production as per international standards will be a challenge. The Indian rupee has appreciated considerably in the past few months. The fluctuations in earnings and exchange rates may also have an impact on the profitability of the Company as far as it relates to the turnover derived from the overseas operations.

Internal Control systems and adequacy

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

Human Resource Development

The Company continues to lay emphasis in nurturing and strengthening the overall development of the Human Resources and has always been recognizing the man power as a vital tool in the Company's growth. Also, during the year under review, industrial relations remained cordial. The human resource of the company is characterized by its loyalty and long-term association. HRD efforts thrive to attract best talent in the industry and retain them by improving quality and competitiveness through performance management system, training and other motivational tools.



Maxwell Industries Ltd.

AUDITORS' CERTIFICATE

To The Members of
MAXWELL INDUSTRIES LTD.

We have examined the compliances of conditions of Corporate Governance by Maxwell Industries Ltd. for the year ended 31st March, 2007, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that while the Shareholders/ Investors Grievance Committee has not maintained records to show the investor grievances pending for a period of one month against the Company, the Registrars of the company have maintained the records of investor grievances and certified that as on 31st March, 2007 there were no investor grievances remaining unattended / pending for more than 30 days.

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

M. F. Attar

Membership No.: 34977

Mumbai.

Dated: 27th November, 2007

AUDITORS' REPORT

To the Members,
MAXWELL INDUSTRIES LIMITED,

We have audited the attached Balance Sheet of Maxwell Industries Limited as at 31st March, 2007. and also Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto.

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

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

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act 1956, and on the basis of such checks of the books and record of the Company and according to information and explanations received by us, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order,.



2. Further to our comments in the Annexure referred to in Paragraph (1) above,

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of the audit
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account
- d) In our opinion, the Balance Sheet and Profit & Loss account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable;
- e) According to information and explanation given to us and on the basis of written representation from the directors taken on record by the board of the directors, none of the directors is disqualified as on 31st March 2007 from being appointed as a director under section 274 (1) (g) of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to explanations given to us, the accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view: -
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2007.
 - ii. In the case of Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii. In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **Attar & Co.**
Chartered Accountants

M.F. Attar
Membership No.: 34977
Mumbai.
Dated: 27th November, 2007

ANNEXURE TO THE AUDITORS' REPORT

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

- 1) In respect of it's fixed assets:
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets.
 - b) Some of the Fixed Assets were physically verified by the Management during the year in accordance with program of verification, which in our opinion is reasonable. No material discrepancies were noticed on such physical verification.
 - c) In our opinion the Company has not disposed off substantial part of fixed assets during the year.
- 2) In respect of it's inventories:
 - a) *As explained to us, inventory has been physically verified by the management at regular intervals during the year. In our opinion the frequency of verification is reasonable.*
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of Company and nature of its business.



Maxwell Industries Ltd.

- c) On the basis of our examination of records of inventories, in our opinion, the Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification of inventory as compared to book records.
- 3) In respect of loan secured or unsecured, taken from / granted to any Company, firm or other parties covered in register maintained u/s. 301 of the Companies Act 1956
- a) The Company had granted unsecured loans to two Companies covered in register maintained u/s. 301 of the Companies Act 1956 aggregating Rs 1164.00 lacs.
- b) The Company had taken unsecured loans from one party covered in register maintained u/s. 301 of the Companies Act 1956 aggregating Rs. 50 lacs. At the year end the outstanding balance of these loans was Rs. Nil.
- c) The rate of interest and other terms and conditions of such loans taken were not, prima facie, prejudicial to the interest of the Company.
- d) The interest payments are regular and the principal amount is payable on demand.
- e) There is no overdue amount in respect of loans taken by the Company
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit we have not observed any major weakness in internal control.
- 5) In respect of transactions covered u/s. 301 of the Companies Act 1956
- a) In our opinion and according to the information and explanations given to us the transactions made in pursuance of contracts or arrangements that needed to be entered into the register maintained under Section 301 of Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, where such transactions are in excess of Rs.Five lacs in respect of any party during the year, the transactions have been made at prices which are prima facie reasonable having regard to prevailing market prices at the relevant time.
- 6) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed thereunder. We are informed that the deposits from the promoters of the Company are in pursuance of the undertaking given by the promoters to the banks / financial institutions.
- 7) We are informed that the Company has the internal audit system in addition to the existing internal control procedure. However we are of the opinion that the same need to be further extended and strengthened to make the same commensurate with the size of the Company and nature of the business.
- 8) We have broadly reviewed the books of account maintained by the Company in respect of it's spinning mill, pursuant to the rules made by the Central Government, prescribing the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956. We are of the opinion that prima facie the prescribed accounts and records have been maintained and are being made up. We have not however, made a detailed examination of the same with a view to determining whether they are accurate or complete.
- 9) In respect of statutory dues
- a) According to the information and explanation given to us and records as produced and examined by us, in our opinion the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Funds, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues as applicable with the appropriate authorities.
- b) The Company has no disputed claims in respect of any statutory dues at any forum.
- 10) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.



Maxwell Industries Ltd.

- 11) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks. The Company has not issued debentures that were outstanding during the year.
- 12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The provisions of any special statute applicable to chit fund, nidhi, mutual benefit fund, societies are not applicable to the Company.
- 14) In our opinion the Company is not a dealer or trader in shares, securities, debentures and other investments.
- 15) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- 16) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were prima facie applied by the Company during the year for the purpose for which the loan was obtained.
- 17) According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company we are of the opinion that funds raised on short term basis have prima facie not been used during the year for long term investment and vice versa. There are no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations.
- 18) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s. 301 of the Companies Act, 1956 during the year.
- 19) According to the information and explanations given to us, and the records examined by us the Company has not issued any debentures during the year.
- 20) The Company has not raised any money by way of public issue during the year.
- 21) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices, and according to the information and explanations given to us we have neither come across any instance of material fraud on or by the Company noticed or reported during the year nor have we been informed of such case by the management.

For **Attar & Co.**
Chartered Accountants

M.F. Attar
Membership No.: 34977
Mumbai.
Dated: 27th November, 2007



Maxwell Industries Ltd.

Balance Sheet as at 31st March, 2007

(Rs. in Lacs)

	Schedules	31.03.2007	31.03.2006
I. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	5,296.54	3,513.00
Reserves and Surplus	2	6,504.83	3,515.70
LOAN FUNDS			
Secured Loans	3	3,707.51	4,172.21
Unsecured Loans	4	661.02	1,177.43
DEFERRED TAX LIABILITY		799.67	633.96
		16,969.57	13,012.30
II. APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	10,298.69	9,625.31
Less : Depreciation		4,670.31	4,246.44
Net Block		5,628.38	5,378.87
Capital Work in Progress		1,559.26	54.85
INVESTMENTS	6	7.03	6.93
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	7	5,661.12	5,643.25
Sundry Debtors	8	5,834.60	5,975.74
Cash and Bank Balances	9	173.78	139.33
Loans and Advances	10	1,930.84	309.57
		13,600.34	12,067.89
Less : CURRENT LIABILITIES AND PROVISIONS	11		
Current Liabilities		3,579.82	4,127.71
Provisions		354.41	455.03
		3,934.23	4,582.74
NET CURRENT ASSETS		9,666.11	7,485.15
MISCELLANEOUS EXPENDITURE	12	108.79	86.50
(To the extent not written off or adjusted)			
		16,969.57	13,012.30

For and on behalf of Board

As per our report of even date
For Attar & Co.
Chartered Accountants

J.K. PATHARE
Chairman

M.F. ATTAR
Proprietor
Mumbai.

R. VENKATRAMAN
Vice President-Finance
& Company Secretary

L.J. REDDY
Managing Director

Dated: 27th November, 2007



Maxwell Industries Ltd.

Profit and Loss Account for the year ended on 31st March, 2007

(Rs. in Lacs)

	Schedules	31.03.2007	31.03.2006
INCOME			
Sales		19,590.34	16,921.64
Increase / (Decrease) in Stocks	13	(221.43)	542.82
Other Income	14	116.35	69.15
		19,485.26	17,533.61
EXPENSES			
Cost of goods Consumed / Sold	15	11,147.09	9,458.56
Employees Remuneration and Benefits	16	842.93	733.92
Managerial Remuneration		46.60	53.82
Manufacturing and Other Expenses	17	3,535.24	3,524.71
Selling and Distribution Expenses	18	456.66	327.80
Advertisement Expenses		1,194.30	892.03
Interest	19	396.09	538.86
Deferred Expenses written off		47.76	33.96
Depreciation		433.60	518.66
		18,100.27	16,082.32
PROFIT BEFORE TAX		1,384.99	1,451.29
Less : Provision for Taxation - Current Tax		(299.62)	(488.59)
- Deferred Tax		(165.71)	(29.59)
- Fringe Benefit Tax		(17.11)	(28.82)
PROFIT AFTER TAX		902.55	904.29
Add/(Less) : Tax Adjustment for earlier years		(45.75)	(57.09)
		856.80	847.20
Add : Surplus brought forward		1,451.02	855.66
		2,307.82	1,702.86
APPROPRIATIONS			
Transfer to General Reserve		90.00	45.00
Proposed Dividend			
Preference Share Capital		0.00	19.69
Equity Share Capital		126.15	161.71
Interim Dividend			
Preference Share Capital		260.71	0.00
Equity Share Capital		126.15	0.00
Corporate dividend tax		75.70	25.44
		678.71	251.84
Balance Carried to Balance Sheet		1,629.11	1,451.02
Basic and Diluted EPS (in Rs.) (F.V. Rs. 2/-)		1.32	1.54

Notes on Accounts and Additional Information

20

As per our report of even date

For Attar & Co.

Chartered Accountants

M.F. ATTAR

Proprietor

Mumbai.

Dated: 27th November, 2007

R. VENKATRAMAN

Vice President-Finance

& Company Secretary

For and on behalf of Board

J.K. PATHARE

Chairman

L.J. REDDY

Managing Director



Maxwell Industries Ltd.

Cash Flow Statement for the year ended on 31st March, 2007

(Rs. in Lacs)

31.03.2007

31.03.2006

A. Cash Flow From Operations

Net Profit before Tax & Extraordinary Items **1,384.99** 1,451.29

Add :

1) Depreciation **433.60** 518.66

2) Preliminary Expenses **47.76** 33.96

3) Interest **396.09** 538.86

4) (Profit)/Loss on Sale of Assets (Net) **1.98** (6.04)

5) Insurance Claim **2.52** (4.39)

6) Lease Rental **32.58** 0.00

7) Other Income **20.94** (48.65)

8) Interest Received **1.47** (8.08)

9) Rent Received **0.00** (1.99)

936.94 1,022.33

Operating Profit before Working Capital Changes **2,321.93** 2,473.62

Adjusted for :

(Increase)/Decrease in Trade Receivables **141.14** (465.96)

(Increase)/Decrease in Inventories **(17.86)** (1,431.60)

(Increase)/Decrease in Other Receivables **(27.37)** (10.48)

Increase/(Decrease) in Trade Payables **71.24** 292.21

Increase/(Decrease) in Other Liabilities **(617.98)** 634.83

(Increase)/Decrease in Working Capital **(450.83)** (981.00)

Cash Generated from Operations **1,871.10** 1,492.62

Less :

Deferred Expense Payments **(70.05)** (47.48)

Direct Taxes Paid **(740.58)** (346.27)

Net cash used before extraordinary items **1,060.47** 1,098.87

Extraordinary items

Insurance Claim **(2.52)** 4.39

(A) **1,057.95** 1,103.26



Maxwell Industries Ltd.

Cash Flow Statement for the year ended on 31st March, 2007

(Rs. in Lacs)

	31.03.2007	31.03.2006
B. Cash Flow from Investing Activity		
Purchase of Fixed Assets	(707.76)	(1,138.56)
Capital Work in Progress	(1,504.41)	(54.92)
Sale of Fixed Assets	22.67	10.88
Purchase of Investments	(0.10)	(0.50)
Interest Received	(20.94)	8.08
Rent Received	(1.47)	1.99
Other Income	(32.58)	48.65
Loan to Companies	(1,464.00)	0.00
	(B)	
	(3,708.59)	(1,124.38)
C. Cash Flow from Financing		
Issue of Share		
Share Capital	183.54	0.00
- Preference	1,600.00	0.00
Share Premium	2,721.04	0.00
Proceeds from Borrowing		
Secured Loans		
Bank Overdraft	(276.36)	170.67
Medium Term Loan from Bank	(188.34)	582.09
Unsecured Loans		
From Directors	(445.94)	35.79
Deferred Sales Tax	(13.93)	(14.89)
From Others	(50.00)	(115.00)
Security Advances	(6.54)	(38.63)
Interest		
Bank	(149.85)	(424.36)
Others	(246.25)	(114.50)
Dividend Tax paid	(54.26)	(35.05)
Interim Dividend paid	(388.03)	0.00
	(C)	
	2,685.09	46.12
Net Increase in Cash & Cash Equivalents	(A+B+C)	
	34.45	25.00
Cash & Cash Equivalents at the beginning of the year	139.33	114.33
Cash & Cash Equivalents at the end of the year	173.78	139.33
Closing Balance	34.45	25.00

For and on behalf of Board

As per our report of even date

For Attar & Co.

Chartered Accountants

J.K. PATHARE

Chairman

M.F. ATTAR

Proprietor

Mumbai.

Dated: 27th November, 2007

R. VENKATRAMAN

Vice President-Finance

& Company Secretary

L.J. REDDY

Managing Director



Maxwell Industries Ltd.

Schedules to the accounts for the year ended on 31st March, 2007

(Rs. in Lacs)

SCHEDULE '1' SHARE CAPITAL

31.03.2007

31.03.2006

AUTHORISED

Equity :

15,00,00,000 Ordinary Shares of Rs. 2/- each

3,000.00

3,000.00

Preference :

45,00,000 Preference Shares of Rs. 100/- each

4,500.00

2,500.00

7,500.00

5,500.00

Issued, Subscribed and Paid up :

6,30,77,215 Ordinary Shares of Rs. 2/- each fully paid up

1,261.54

1,078.00

Note : 3,57,50,000 Ordinary Shares of Rs. 2/- each allotted as fully paid Bonus Shares by way of Capitalisation of Share Premium.

5% 24,35,000 Redemable Preference Shares of Rs. 100/- each fully paid up redeemable after 10 years with an option of the Company to redeem at the end of 8th, 9th and 10th year in 3 equal installments

2,435.00

2,435.00

10% 16,00,000 Optional Convertible preference Shares issued to Reliance Capital Partners, Convertible within 18 month

1,600.00

0.00

5,296.54

3,513.00

SCHEDULE '2' RESERVES AND SURPLUS

Securities Premium Account

As per last Balance Sheet

1,138.50

1,600.50

Add: Received during the year

2,721.04

0.00

3,859.54

1,600.50

Less : Utilised for Issue of Bonus Shares

0.00

462.00

3,859.54

1,138.50

General Reserve

As per last Balance Sheet

926.18

881.18

Add : Transferred from Profit & Loss account

90.00

45.00

1016.18

926.18

Profit and Loss Account

1629.11

1451.02

6,504.83

3,515.70

SCHEDULE '3' SECURED LOANS

a) Term Loans

661.61

849.95

b) Cash Credit

3,045.90

3,322.26

3,707.51

4,172.21

SCHEDULE '4' UNSECURED LOANS

Security Advances

289.47

296.01

From Directors & Shareholders

0.00

445.94

Deferred Sales Tax Loan

371.55

385.48

Inter Corporate Deposits

0.00

50.00

661.02

1,177.43



Maxwell Industries Ltd.

Schedules to the accounts for the year ended on 31st March, 2007

SCHEDULE '5' FIXED ASSETS

(Rs. in Lacs)

Name of the Asset	Gross Block				Depreciation				Net Block	
	Op.Bal 01.04.06	Additions	Deductions/ Adjst- ments	Total 31.03.07	Op.Bal 01.04.06	Depre- ciation for the year	Deductions/ Adjst- ments	Total 31.03.07	As at 31.03.07	As at 31.03.06
Owned Assets										
Goodwill & Other Rights on Acquisition	1,258.21	0.00	0.00	1,258.21	0.00	0.00	0.00	0.00	1,258.21	1,258.21
Land	203.62	12.38	0.00	216.00	0.00	0.00	0.00	0.00	216.00	203.62
Buildings	393.38	3.68	0.00	397.06	60.97	7.09	0.00	68.06	329.00	332.41
Factory Buildings	1,565.42	9.66	0.00	1,575.08	273.73	38.98	0.00	312.71	1,262.37	1,291.69
Furniture & Fixtures	197.38	2.64	0.00	200.02	88.39	12.64	0.00	101.03	98.99	108.99
Office Equipments	75.80	0.97	0.05	76.72	39.94	4.84	0.00	44.78	31.94	35.86
Plant & Machinery	5,118.22	647.84	20.94	5,745.12	3,247.94	327.92	0.32	3,575.54	2,169.58	1,870.28
Vehicles	134.41	15.61	13.39	136.63	55.22	12.25	9.41	58.06	78.57	79.19
Electrical Installations	496.99	1.21	0.00	498.20	361.29	14.51	0.00	375.80	122.40	135.70
Boilers	48.32	0.00	0.00	48.32	24.46	3.59	0.00	28.05	20.27	23.86
Effluent Treatment Plant	13.76	0.00	0.00	13.76	6.87	1.02	0.00	7.89	5.87	6.89
Computer Systems	119.79	13.76	0.00	133.55	87.62	10.76	0.00	98.38	35.18	32.17
Total	9,625.31	707.76	34.38	10,298.69	4,246.44	433.60	9.73	4,670.31	5,628.38	5,378.87
Previous Year	6,092.23	3,573.56	40.48	9,625.31	3,763.43	518.67	35.66	4,246.44	5,378.87	

SCHEDULE '6' INVESTMENT

31.03.2007

31.03.2006

Quoted

100 Shares in N. K. Industries Ltd. of Rs. 10 each at a premium of Rs. 30 each fully paid [Market Value of Rs. 0.01 (P.Y. Rs. 0.01)]	0.04	0.04
21,900 Shares in Kripa Chemicals Ltd. of Rs. 10 each at a premium of Rs. 65 each fully paid [Market Value of Rs. 0.45 (P.Y. Rs. 0.45)] [including 14,600 shares received as bonus shares]	5.48	5.48
Government Securities (Deposited with Sales Tax Authorises)		
Kisan Vikas Patra	0.03	0.03
National Saving Certificate	1.48	1.38
	7.03	6.93

SCHEDULE '7' INVENTORIES

(At cost or market value whichever is lower as Certificate by the Management)

Raw Materials	1,839.79	1,600.50
Work In Progress	1,504.15	1,535.35
Finished Goods	2,317.17	2,507.40
	5,661.12	5,643.25



Maxwell Industries Ltd.

Schedules to the accounts for the year ended on 31st March, 2007

(Rs. in Lacs)

SCHEDULE '8' SUNDRY DEBTORS	31.03.2007	31.03.2006
Unsecured and considered good,		
(a) Outstanding for a period exceeding six months	958.31	714.60
(b) Others	4,876.29	5,261.14
	5,834.60	5,975.74
SCHEDULE '9' CASH AND BANK BALANCES		
Cash on hand	37.52	21.90
Balances with Scheduled Banks		
On Fixed Deposit Account	100.10	93.94
On Current Account	31.38	17.55
On Unclaimed Dividend Account	4.78	5.94
(As per Contra)		
	173.78	139.33
SCHEDULE '10' LOANS AND ADVANCES		
(Unsecured and considered good)		
Sundry Deposits	194.01	213.84
Other Advances	1,736.83	95.73
	1,930.84	309.57
SCHEDULE '11' CURRENT LIABILITIES AND PROVISIONS		
a) Current Liabilities		
Sundry Creditors	3,575.04	4,121.77
Unclaimed Dividend (As per Contra)	4.78	5.94
	3,579.82	4,127.71
b) Provisions		
Provision for Taxation (net of advance tax and T.D.S.)	0.00	248.19
Proposed Dividend - Preference Share Capital	19.68	19.69
- Equity Share Capital	287.85	161.71
Corporate Dividend Tax	46.88	25.44
	354.41	455.03
	3,934.23	4,582.74
SCHEDULE '12' MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Advertisement & Publicity Expenses	24.26	48.52
Preliminary Expenses	84.53	37.98
	108.79	86.50



Maxwell Industries Ltd.

Schedules to the accounts for the year ended on 31st March, 2007

(Rs. in Lacs)

SCHEDULE '13' INCREASE / DECREASE IN STOCKS	31.03.2007	31.03.2006
---	------------	------------

Closing Stocks

Work in Progress	1,504.15	1,535.35
Finished Goods	2,317.17	2,507.40
	<hr/>	<hr/>
	3,821.32	4,042.75

Less : Opening Stocks

Work in Progress	1,535.35	1,011.39
Finished Goods	2,507.40	2,488.54
	<hr/>	<hr/>
	4,042.75	3,499.93
	<hr/>	<hr/>
	(221.43)	542.82

SCHEDULE '14' OTHER INCOME

Interest [T.D.S. Rs. 2.36 (P.Y. Rs. 1.47)]	20.94	8.08
Rent	1.47	1.99
Profit on Sale of Assets-Net	0.16	6.04
Duty Drawbacks	58.68	0.00
Insurance Claim	2.52	4.39
Others	32.58	48.65
	<hr/>	<hr/>
	116.35	69.15

SCHEDULE '15' COST OF GOODS CONSUMED / SOLD

Opening Stock	1,600.50	711.72
Add : Purchases	11,386.38	10,347.34
	<hr/>	<hr/>
	12,986.88	11,059.06
	<hr/>	<hr/>
Less : Closing Stock	1,839.79	1,600.50
	<hr/>	<hr/>
	11,147.09	9,458.56

SCHEDULE '16' EMPLOYEES REMUNERATION AND BENEFITS

Salaries, Wages & Bonus	655.78	561.38
Contribution to Provident and other funds	74.70	64.31
Welfare Expenses	82.74	64.46
Gratuity Benefits	29.71	43.77
	<hr/>	<hr/>
	842.93	733.92



Maxwell Industries Ltd.

Schedules to the accounts for the year ended on 31st March, 2007

(Rs. in Lacs)

SCHEDULE '17' MANUFACTURING AND OTHER EXPENSES	31.03.2007	31.03.2006
Processing and Labour Charges	2,669.97	2,789.90
Rent	101.43	77.17
Rates & Taxes	6.81	13.67
Insurance	35.17	31.34
Electricity Charges	31.85	21.90
Legal and Professional Charges	61.53	64.94
General Expenses	86.28	78.27
Motor Car Expenses	44.59	38.28
Conveyance Expenses	24.60	20.32
Travelling Expenses	226.81	198.28
Printing & Stationery	29.18	17.11
Postage & Telephone	65.40	47.38
Repairs & Maintenance		
- Building	8.77	8.15
- Machinery	39.81	24.01
- Others	32.89	21.66
Bank Charges	56.26	52.10
Exchange Loss	3.75	11.25
Loss on Sale / Discard of Assets-Net	2.15	0.00
Audit Fees	7.99	8.98
	3,535.24	3,524.71

SCHEDULE '18' SELLING AND DISTRIBUTION EXPENSES

Freight, Delivery Etc.	408.22	235.16
Sales Tax and Other Overheads	48.44	92.64
	456.66	327.80

SCHEDULE '19' INTEREST

Bank	149.84	424.36
Others	246.25	114.50
	396.09	538.86

SCHEDULE '20' NOTES TO ACCOUNTS AND ADDITIONAL INFORMATION

1. SIGNIFICANT ACCOUNTING POLICIES:

A) Basis of preparation of financial statements:

The financial statements have been prepared under the historical cost convention in accordance with the normally accepted accounting principles and the provisions of the Companies Act, 1956 as followed consistently by the Company.

B) Fixed assets and depreciation:

- Fixed assets are stated at acquisition cost including incidental expenses in connection thereto less depreciation in accordance with AS-10 of The Institute of Chartered Accountants of India (ICAI).
- Depreciation on fixed assets is related to the period of use of the assets and is provided on straight-line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

C) Investments:

Investments are stated at cost.



D) Transactions in Foreign Exchange :

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transactions. In respect of transactions covered by forward exchange contracts, 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. Transactions not covered by forward contracts and outstanding at year end are translated at exchange rates prevailing at the year end and the profit / loss so determined is recognized in the Profit and Loss Account.

E) Valuation of Inventories :

Raw materials, Stock in trade and Work in Progress are valued at cost or net realisable value whichever is lower; Stores and spares are valued at cost.

F) Excise Duty

Excise CENVAT benefit on Fixed Assets / Stores and Spares purchase is accounted by reducing the purchase cost of Fixed Assets / Stores and Spares.

G) Recognition of Income / Expenditure :

All income and expenditure items having a material bearing on the financial statements are recognised on accrual basis except disposal of scrap materials and staff leave salary, which are accounted for on cash basis.

H) Sales :

Sales include seconds sales and job-work income.

I) Employee Retirement Benefits :

- a) Company's contribution to Provident Fund and other funds for the year is charged to profit and loss account. In respect of gratuity, the Company's contribution to the Group Insurance Scheme of Life Insurance Corporation of India is charged to profit and loss account.
- b) Leave encashment expenses are charged to profit and loss account on cash basis.

2. Term Loans and working capital borrowings from

- a. Bank are secured by hypothecation of Company's entire stock of raw materials (imported and indigenus), stocks in process, semi-finished goods, finished goods and goods in transit covered by documents of title to goods and book debts and further collaterally secured by way of charge on entire fixed assets of the company's units at TTC, Turbhe and at Gobichettipalayam and personal guarantees of promoter directors.
- b. SIDBI are secured by
 - i. First charge by way of hypothecation of all the movables including plant, machinery and equipments acquired under TUF& DC schemes [Technology Upgradation fund & Direct Credit Scheme] at Perundurai & Umbergaon.
 - ii. Extension of first charge by way of mortgage on the Leasehold rights of the erstwhile firms[M/s Hybo Hindustan & M/s Gomma Industries] on immovable properties, present & future situated at SIPCOT Industrial Growth Centre , Perundurai Dist .Erode and GIDC Industrial Estate Umbergaon Dist.Valsad
 - iii. Personal Guarantee of Promoter Directors

3. Cash Credit loan from State Bank of India of Rs.3159.58 lacs outstanding as on 31.03.2007

4. Payment against supplies from small scale and ancillary undertakings are generally made in accordance with agreed credit terms. The Company is in the process of identifying such parties and their balances.

5. Deferred Advertisement Expenses shown under the head Miscellaneous Expenditure, represent New Brands development expenses. The initial advertisement and publicity expenses incurred for the said products launching are being treated as deferred revenue expenditure and are being written off over a period of 5 years.

6. Preliminary Expenses include expenses in relation to increase in authorised capital and issue of bonus shares and are being amortised 1/5th each year.



Maxwell Industries Ltd.

7. The Scheme of Amalgamation of Lovable Lingeries Private Limited. (Transferor Company) with effect from appointed date of 1st October, 2005 and Microtex India Limited (Transferor Company) with effect from 1st April, 2006 with Maxwell Industries Limited (Transferee company) is subject to approval by the company's shareholders, creditors of the company under sections 391 to 394 of the Companies Act, 1956, and approval of the Hon'ble High Court of Bombay, which is awaited and thus the amalgamation though effective from the appointed date i.e. 1st October, 2005 & 1st April, 2006, however shall be operative from effective date, means last of the dates on which the sanctions/approvals or orders as specified in the Scheme of Amalgamation are obtained and / or filed. Once the approval of the High Court is received and other legal formalities are completed, the amalgamation will be effective and all the assets, liabilities and credit balance of Profit and Loss account of Lovable Lingerie Private Limited (Transferor Company) & Microtex India Limited (Transferor Company) will be transferred to the Company. Pending approvals and sanction of the Scheme from the Hon'ble High Court of Bombay, Company's accounts have been prepared independently without incorporating the figures of Lovable Lingeries Private Limited & Microtex India Limited. The effect of the above Amalgamation will be given in the Annual Accounts of the Company, in the financial year in which approval of the Hon'ble High Court of Bombay is received.
8. The company has accounted leave encashment on cash basis instead of accrual basis, amount being immaterial.
9. In the opinion of the Company, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of the business.
10. Sundry Debtors and Sundry Creditors balances are subject to confirmation.
11. In compliance with the Accounting Standard – AS 22 issued by the Institute of Chartered Accountants of India, the deferred tax Liability of Rs.165.71 lacs accruing during the year has been debited to Profit & Loss Account. (Previous year- Rs. 29.59 lacs-Charge). The major component of net deferred tax is depreciation.
12. As required by Accounting Standard – AS 18 issued by the Institute of Chartered Accountants of India, particulars w.r.t. related parties are as under;
- A. List of Related Parties with whom the company undertook transactions;
1. Group Concerns: Microtex India Ltd., Lovable Lingerie Pvt. Ltd., Vinay Hosiery Pvt. Ltd., VIP Overseas Marketing Pvt. Ltd., Hybo Hindustan, Technit Industries, Pako Hindustan.
 2. Directors and other members of Promoter Group: Shri J. K. Pathare, Shri L. J. Reddy, Shri L. Vinay Reddy, Shri Sunil J. Pathare, Smt Lalita J. Pathare, Shri L Prashant Reddy, Shri Kapil J. Pathare, J.K. Pathare HUF.

B. Details of transactions are as follows :

Sr. No	Type of transaction	Rs. in Lacs	
		2006-07	2005-06
1	Sales to and recoveries	283.57	983.31
2	Purchases from and payments	1394.57	1716.66
3	Inter Corporate Deposit received	1464.00	39.44
4	Loans from Directors / Relatives – Net	0.00	131.00
5	Interest payment	26.68	64.87
6	Remuneration / Sitting Fees to Directors	51.35	54.12
7	Interest Income	0.00	2.32



Maxwell Industries Ltd.

C. Outstanding Balances

Sr. No	Type of transaction	Rs. in Lacs	
		2006-07	2005-06
1	Dues to Company	958.72	1,162.53
2	Payable by Company	22.32	192.62
3	Inter Corporate Deposits (Payable)	0.00	50.00
4	Unsecured Loans received from Directors and other members of Promoter Group	0.00	435.94

13. As required by Accounting Standard 20 issued by The Institute of Chartered Accountants of India, the reporting in respect of Earnings Per Share (EPS) is as follows;

	2006-07	2005-06
Net Profit After Tax	856.80 lacs	Rs. 847.20 lacs
Less:-Preference Dividend (including tax thereon)	138.96 lacs	Rs. 22.44 lacs
Profit Available to Equity Shareholders	717.84 lacs	Rs. 824.76 lacs
Weighted average no. of equity shares for basic EPS	6,30,77,215 nos	5,39,00,000 nos
Nominal Value of equity shares	Rs. 2/-	Rs.2/-
Basic earnings per equity share	Rs. 1.32	Rs.1.54

14. SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Sr.No.	Particulars	2006-07	2005-06
1	Segment Revenue		
	(a) Hosiery and Others	16647.76	15,061.60
	(b) Spinning Mill	4677.27	3,944.44
		<u>21325.03</u>	<u>19,006.04</u>
	Less :		
	Inter Segment revenue	1734.69	2,084.40
	Sales / Income from Operations	19590.34	16,921.64
2	Segment Results		
	[Profit/(Loss)] before tax and interest from each segment]		
	(a) Hosiery and Others	1,662.65	2,018.67
	(b) Spinning Mill	559.05	389.42
	Total	<u>2,221.70</u>	<u>2,408.09</u>
	Less :		
	(i) Interest	396.09	538.86
	(ii) Other un-allocable expenditure net un-allocable income	440.62	417.94
	Total Profit Before Tax	<u>1,384.99</u>	<u>1,451.29</u>



Maxwell Industries Ltd.

Sr.No.	Particulars	2006-07	2005-06
3	Capital Employed (Segment Asset - Segment Liabilities) (Based on estimates in terms of available data) (a) Hosiery and Others (b) Spinning Mill	14,233.15 1,827.94	10,481.51 1,810.34
15. Value of Imports on C.I.F. Basis			
	(a) Capital Goods	795.96	8.96
	(b) Raw Materials & Finish Goods	0.00	133.74
	(c) Components and Stores & Spares	0.26	1.01
16. Expenditure in foreign currency			
	(a) Travelling Expenses	15.98	12.33
	(b) Subscriptions	0.20	0.15
	(c) Interest	28.04	121.69
	(d) Commission on Export Sales	1.84	00.0
	(e) Others	0.19	0.04
17. Earning in foreign currency			
	Exports at F.O.B.	1,052.88	00.0
18. Remuneration to Auditors :			
	For Audit Fees	7.44	8.44
	For Tax Audit	0.43	0.43
	For Certification	0.11	0.11
		<u>7.98</u>	<u>8.98</u>
19. Contingent Liabilities			
	(a) Guarantees given by Bank	5.79	5.79
	(b) Estimated amount of contracts remaining to be executed on capital account	1,074.00	1,074.00
	(c) Letter of Credits	826.20	721.71
	(d) Claims against the company not acknowledged as debts	116.50	116.50
	(e) Income Tax Liability in Appeal	1,157.49	1,157.49
20. Additional Information pursuant to the provisions of paragraphs 3 & 4 of Part II Schedule VI to the Companies Act, 1956			
		2006-2007	2005-2006
	(a) Licensed Capacity (Spinning Mill)	26208 Spindles	26208 Spindles
	Installed capacity (Spinning Mill)	26208 Spindles	26208 Spindles



Maxwell Industries Ltd.

	2006-2007		2005-2006	
(b) Quantitative information in respect of Sales & Closing Stocks (As certified by management)				
(i) Sales				
Hosiery (Boxes)	45.86	14914.92	49.17	14556.82
Yarn (Kgs.)	18.55	2892.35	14.43	1855.29
Fabric (Kgs.)	1.13	436.87	0.31	117.46
Socks (Pieces)	59.73	1268.60	0.00	0.00
Others	0.00	77.60	0.00	392.07
Total		19590.34		16921.64
(ii) Closing Stocks				
Hosiery (Boxes)	10.94	2209.74	10.94	2399.47
Socks (Pieces)	14.97	267.19	0.00	0.00
Yarn (Kgs.)	0.89	107.43	0.85	107.93
		2584.36		2507.40
(iii) Finished Goods Purchased				
Hosiery (Boxes)	4.96	1298.55	13.47	3698.31
Socks (Pieces)	74.50	982.85	0.00	0.00
21. Raw Material Consumption (Included in Cost of Good Sold)				
Fabric/Yarn (Kgs.)	43.32	3990.44	12.52	1166.17
Elastics (Mtrs.)	125.63	558.43	156.08	619.01
Cotton (Kgs.)	44.77	2924.55	52.19	2192.16
Packing Material	0.00	954.94	0.00	1112.45
Cloth (Mtrs.)	3.95	153.72	0.00	0.00
Others	0.00	550.82	0.00	670.48
		9132.90		5760.27
22. Break-up of Raw Material Consumed				
Imported	0%	0.00	2%	133.74
Indigenous	100%	9,132.91	98%	5,626.53
23. Managerial Remuneration Under Section 198 of the Companies Act, 1956 to the Managing Director & Whole time Director				
(a) Remuneration		38.66		31.99
(b) Contribution to Provident other Funds		3.66		3.24
(c) Perquisites		4.29		3.54
(d) Commission		14.46		15.05
		61.07		53.82



Maxwell Industries Ltd.

		2006-2007		2005-2006	
24.	Computation of Net Profit as per Sec 309(5) and Sec. 198 of the Companies Act, 1956				
	(i) Profit before Tax as per P & L A/c		1,384.97		1451.29
	(ii) Add :				
	(a) Depreciation as per books	433.60		518.66	
	(b) Directors' Remuneration	46.61		38.77	
	(c) Directors' Commission	14.32		15.05	
	(d) Profit/Loss on Sale of Fixed Assets	0.16	494.69	6.04	578.52
			1,879.66		2,029.81
	(iii) Less :				
	(a) Depreciation as per Sec. 350	433.60		518.66	
	(b) Loss on Sale of Fixed Assets as per Sec. 350	0.16	433.76	6.04	524.70
	Net Profit u/s 198/349 of the Companies Act, 1956		1,445.90		1505.11
	Commission to Managing Director & Whole Time Director @ 0.5% of the Net Profit to each (P.Y. Rs. Nil)		14.46		15.05
25.	Previous Year's figures have been regrouped, reclassified and rearranged wherever necessary.				



Maxwell Industries Ltd.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I) REGISTRATION DETAILS

Registration No.	59804	State Code	11
Balance Sheet Date	31-03-2007		

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

Public Issue	450,459	Right Issue	NIL
Bonus Issue	0	Private Placement	NIL

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

Total Liabilities	1,696,957	Total Assets	1,696,957
Sources of Funds			
Paid up Capital	529,654	Reserves & Surplus	650,483
Secured Loans	370,751	Unsecured Loan	66,102
Application of Funds			
Net Fixed Assets	718,764	Investments	703
Net Current Assets	966,611	Misc. Expenditure	10,879
Accumulated Loss	NIL		

IV) PERFORMANCE OF COMPANY

Turnover	1,959,034	Total Expenditure	1,810,027
+Profit/-Loss before tax	138,499	+Profit/-Loss after tax	90,255
Earning per share	1.32	Dividend Rate	20%

V) GENERIC NAME OF TWO PRODUCTS / SERVICES OF COMPANY

(as per monetary items)	
Item Code No.	600121.00
(ITC Code)	
Product Description	HOSIERY PRODUCTS
Item Code No.	510720.01
(ITC Code)	
Product Description	HOSIERY YARN



Maxwell Industries Ltd.

Registered Office : C-6, Raod No. 22, M.I.D.C., Andheri (E), Mumbai - 400 093.

PROXY FORM

I/We.....

of the above named company, hereby appoint.....

or failing him..... of

as my/our proxy to vote for me / us on my / our behalf at the ADJOURNED SIXTEENTH ANNUAL GENERAL MEETING of the Company at All India Plastics Manufacturers' Association, Plot No. A-52, Road No.1, MIDC, Marol, Mumbai - 400 093 on 28th December 2007 at 10.30 a.m. and any adjournment thereof.

Signed this _____ day of _____, 2006

Affix
1 Rupee
Revenue
Stamp

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

No. of Equity shares held _____

Member's Signature

Maxwell Industries Ltd.

Registered Office : C-6, Raod No. 22, M.I.D.C., Andheri (E), Mumbai - 400 093.

ATTENDANCE SLIP

I hereby record my presence at the ADJOURNED SIXTEENTH ANNUAL GENERAL MEETING of the Company at All India Plastics Manufacturers' Association, Plot No. A-52, Road No.1, MIDC, Marol, Mumbai - 400 093 on 28th December 2007 at 10.30 a.m.

Name : _____

Ref. Folio/D.P. & Client I.D. No. _____

No. of Shares held _____

SIGNATURE OF THE ATTENDING MEMBER/PROXY

NOTES :

- (1) Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.
- (2) Shareholder/Proxyholder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.



Frenchie^{VIP}



VIP[®]

INNERWEAR • SOCKS



VIP[®]
LEADER

VIP[®]

INNERWEAR • SOCKS



VIP
SPECTOR

VIP
SIGNOR

VIP
PUNCH

VIP
TRUNKS

VIP
Brat

VIP
NAWAB

VIP
Designer

VIP
LEADER

Frenchie **X**

VIP
BONUS

Frenchie **VIP**

VIP
Feeling



MAXWELL INDUSTRIES LIMITED

C-6, Road No. 22, MIDC, Andheri (E), Mumbai-400093, India.
Phone : (91-22) 28257624, 28257627 Fax : (91-22) 28371023
Website : www.vipapparel.com