

25th Annual Report 2009-10

Fiberweb (India) Limited

(Formerly known as PVD Plast Mould Industries Ltd.)

ISO 9001 - 2000 Company



Fiberweb (India) Limited

BOARD OF DIRECTORS

Mr. PRAVIN V. SHETH – Chairman & Managing Director
Mr. J. B PATEL
Mr. BHADRESH H. SHAH
Ms. VILINA P. SHETH – Executive Director (upto 8.2.2010)
Mr. P. S. KRISHNAN – Executive Director
Mr. G. RAVINDRAN – Executive Director
Mr. JANAK R. PATEL
Mr. DILEEP V. NAIK
Mr. GOPALJI M. RANA
Mr. C. A. REGE
Mr. BHAVESH P. SHETH (w.e.f. 30.01.2010)

AUDITORS

P. M. TURAKHIA & COMPANY
Chartered Accountants, Mumbai

SOLICITORS

KANTILAL UNDERKAT & CO., MUMBAI
DIVYAKANT MEHTA & ASSOCIATES, MUMBAI

REGISTERED OFFICE

Amee Co-op. Hsg. Society Ltd.
Ground Floor, G.I.D.C.,
Vapi (Dist. Valsad) - 396 195. GUJARAT

BANKERS

DENA BANK, Industrial Finance Branch,
9th Floor, Maker Tower E, Cuffe Parade,
Mumbai - 400 005.

WORKS

Airport Road, Kadaiya Village,
Nani Daman, Daman, (U.T.)

REGISTRARS & TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.
Unit No. 1, Luthra Industrial Premises, 1st Floor,
Adheri-Kurla Road, Safed Pool, Andheri (East),
Mumbai - 400 072.

Fiberweb (India) Limited

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Shareholders of the Company will be held on Wednesday, the 29th September, 2010, at 10.00 a.m. at Fortune Hotel Galaxy, National Highway No.8, G.I.D.C., Vapi – 396 195, Dist.Valsad, Gujarat to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.B.H. Shah who retires from office by rotation, but eligible, offers himself for re-election.
3. To appoint a Director in place of Mr. Gopalji M. Rana, who retires from office by rotation, but eligible, offers himself for re-election.
- 4 To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution

“RESOLVED THAT Mr. Bhavesh P. Sheth who was appointed as an additional Director of the company on 30th January 2010 under article 86 of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of by reason of the Section 260 of the Companies Act,1956 but being eligible offers himself for the reappointment and in respect of whom the Company has received a notice in writing from a shareholder proposing his candidature for the office of

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Director, be and is hereby appointed as a
Director of the Company, liable to retire by
rotation.”

Place : Daman

Date : 30th July, 2010

Registered Office :

Ameo Co-op. Hsg. Society Ltd.

Ground Floor, G.I.D.C.,

Vapi - 396 195

Dist. Valsad, Gujarat

By order of the Board
For FIBERWEB (INDIA) LIMITED

PRAVIN V. SHETH

Chairman & Managing Director

Fiberweb (India) Limited

NOTES:

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business under item No.5 of the Notice to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
3. Members who hold shares in dematerialised form are requested to bring their CLIENT ID AND DP ID numbers for easy identification of attendance at the meeting.
4. Members holding shares in dematerialised form are requested to intimate any change in their address, bank details etc. to their respective DPs and those holding shares in physical form are to intimate the above said changes to the Secretarial Department at the Registered Office of the Company.
5. Members who holds shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility by filing Form 2B. Blank forms will be supplied by Company's Registrar & Transfer Agent on request. Members holding shares in the dematerialised form may contact their Depository Participant for recording nomination in respect of their shares.
6. The Share Transfer Books and the Register of Members of the Company will remain closed from 22nd

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September 2010 to 29th September 2010 (both days inclusive).

7. The documents referred above to in any of the items of the Notice are available for inspection at the Registered Office of the Company on any working day during the business hours of the Company.

8. Members seeking any information with regard to accounts of the Company are requested to send their queries so as to reach the registered office at least 10 days before the meeting to enable the management to keep the information ready for clarification.

9. As a measure of economy, copies of the Annual Report shall not be distributed at the meeting and therefore, Member are requested to bring their copies of Annual Report to the Meeting.

10. The Equity Shares of the Company are listed at the following stock exchanges:

(1) The Ahmedabad Stock Exchange Ltd., Ahmedabad, Kamdhenu Complex, Opp.

Sahajanand College, Panjara Pole, Ambawadi, Ahemdabad - 380 015.

(2) The Bombay Stock Exchange Ltd., Mumbai, Rotunda Building, Phiroze Jeebhoy towers, Dalal Street, Mumbai - 400 001.

The listing fees to the above exchanges have been paid.

11. AS REQUIRED IN TERMS OF PARAGRAPH VI(IA) OF CLAUSE 49 OF THE LISTING AGREEMENT, THE DETAILS OF THE DIRECTORS RETIRING BY ROTATION AND ELIGIBLE FOR REAPPOINTMENT ARE FURNISHED BELOW:

(I) Name: Mr. B.H.Shahl Age: 57 years, Qualification: B.E. (Civil), Nature of expertise: Vast experience in rendering various guidance to the Company. Basically he is an Engineer and guide the company with his vast knowledge and experience Company's product. Name of the companies in which

Fiberweb (India) Limited

he also holds directorship: 1. Kunststoffe Industries Ltd.. Name of the companies's committees in which he also holds Memberships/ chairmanship: Kunststoffe Industries Limited. Chairman of Audit Committee and Investor Grievances Committee.

It will be in the interest of the Company that Mr.B..H. Shah continues as Director of the the Company.

- (II) Name:** Mr. Gopalji M. Rana (N.R.I.)
Age: 66 years, Qualification: Bachelor of Engineering, M.B.A.
Nature of expertise: Management &Marketing Name of the Companies in which he also holds Directorship: None. Name of the Companies in which he also hold Membership/Chairmanship: None.

It will be in the interest of the Company that Mr. Gopalji M. Rana continues as Director of the Company.

EXPLANATORY STATEMENT

[Pursuant to Section 173(2) of the Companies Act, 1956]

Item No.5

At the Meeting of the Board of Directors held on 30th January, 2010 Mr. Bhavesh.P.Sheth was appointed as additional director of the company pursuant to Section 260 of the Companies Act, 1956 read with Articles 86 of the Articles of Association of the Company. Mr. Bhavesh P. Sheth holds office only upto the date of forthcoming Annual General Meeting.

Notice in writing has been received form a shareholder of the company., pursuant to section 257 of the companies Act, 1956 , signifying his intention to propose Mr. Bhavesh P. Sheth as candidate for the office of Director. As required by the said section 257, the shareholder giving notice has deposited as sum of Rs. 500/- with company, which shall be refunded to him if Mr. Bhavesh P. Sheth is elected as Director.

Mr. Bhavesh P. Sheth B.Com., F.C.A. He has financial systems & other software

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development and implementation experience. He has also long experience in business process re-engineering, management consulting & project management, business development and organization strategy experience. His experience will be beneficial to the Company and hence your Directors recommended his appointment.

Place : Daman

Date : 30th July, 2010

Registered Office :

Amee Co-op. Hsg. Society Ltd.

Ground Floor, G.I.D.C.,

Vapi - 396 195

Dist. Valsad, Gujarat

By order of the Board
For FIBERWEB (INDIA) LIMITED

PRAVIN V. SHETH
Chairman & Managing Director

Fiberweb (India) Limited

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 25th Annual Report and Audited Accounts of the Company for the 12 months period ended 31st March 2010,(01.04.2009 to 31.03.2010). The summarized financial results are given below:

01. SUMMARISED FINANCIAL RESULTS : (Rs. In Lakhs)

	2009-10	2008-09
Sales and other Receipts	3127.54	4015.39
Gross Profit / (Loss) before depreciation	216.57	(104.63)
Less : Depreciation	176.46	303.71
Loss from regular Activites	40.11	(408.35)
Extra ordinary items		
Revaluation of Assets	0.00	3853.27
Net Profit/(Loss) before taxation	40.11	3444.91
Balance carried from earlier year	(6387.60)	(9832.51)
Profit available for appropriation	-	-
Balance carried forward to next year	(6347.49)	(6387.60)

02. OPERATIONS :

During the 12 months period, April 2009 to March 2010 under review, your Company recorded a turnover of Rs.31.27 crores compared to Rs.40.15 crores during the previous period of 15 months. The last 12 months period witnessed deep economic recession in all the countries especially in the developed countries where our products are widely exported. The regular activities of the Company during this

period resulted in a modest profit of Rs.40.11 lakhs. The downward trend of the effects of economic recession has slowed down and it is expected that the economies of the affected countries will improve in the next six months. We are hopeful that with the consequent increase in demand the activities of the Company will be profitable.

03. REFERENCE UNDER SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT 1985 :

Pursuant to an Order dated 18/1/2007 of the Hon'ble Bench of BIFR, the Company was declared as a sick industry and IDBI, New Delhi was appointed as the Operating Agency, A draft Rehabilitation Scheme has been prepared and submitted. Under the Scheme One Time Settlement of Dues with financial institutions and bankers have been envisaged. Accordingly the Company has settled and paid the dues of IDBI, Corporation Bank and BOI Mutual Fund and the Administrator of the specified undertaking of UTI. The BHF Bank and UTI (MF) have agreed to accept the One Time Settlement amount offered by the Company. Efforts are being made to get the approval of other creditors and bankers to accept the OTS offer. The Company is hopeful that Draft Rehabilitation Scheme will be approved by the BIFR, which when implemented will result in profitable revival of the Company.

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04. DIVIDEND :

Owing to huge carried forward loss, your Directors do not recommend any dividend.

05. FIXED DEPOSITS :

The Company has not accepted any deposits from the Public within the meaning of Section 58 A of the Companies Act, 1956 during the period under review.

06. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

The Company constantly takes effective steps to attain energy conservation.

The Company does not employ any foreign technology which needs absorption or adaptation.

The Company is the leading manufacturer and exporter of Spun Bond Polypropylene Nonwoven Fabrics & products thereof. The Company has earned foreign exchange of Rs. 1908.66 lacs during the year, and incurred expenditure

07. SEGMENT REPORTING UNDER ACCOUNTING STANDARDS 17 :

Your Company's main business is "Polymer Processing" and all other activities of the company revolve around this main business. As such there are no separate reportable segments within

the Company and Hence, the segment wise reporting as defined in Accounting Standards 17 is not applicable to the Company.

08. CORPORATE GOVERNANCE

Your Company has always been conducting its business with due compliance of laws, rules, regulations and with sound internal control systems and procedures.

The Company has obtained a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges. This is annexed to the Directors Report

09. DIRECTORATE :

Mr. B.H. Shah and Mr. Gopalji M. Rana retire by rotation and being eligible offer themselves for reappointment. Your Directors recommend that re-election of Mr. B. H. Shah and Mr. Gopalji M. Rana will be in the interest of the Company.

Mr. Bhavesh P. Sheth was appointed as the Additional Director of the Company on 30th January 2010 and Mr. Bhavesh P. Sheth will hold office up to the Annual General Meeting and being eligible offers himself for reappointment. Your Directors recommend reappointment of Mr. Bhavesh P. Sheth.

On 9th February 2010 Mrs. Vilina P. Sheth, Executive Director and wife of

Fiberweb (India) Limited

Mr. Pravin V. Sheth Chairman & Mg. Director of the Company passed away in a tragic accident. During her tenure as Executive Director of the Company she had looked after the Marketing functions of the Company and your Directors record their deep sense of loss in her untimely and sad demise.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed :

- ❖ That in the preparation of the accounts for the financial period ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ❖ That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review;
- ❖ That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the

Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- ❖ That the Directors have prepared the annual accounts for the financial period ended 31st March, 2010 on a 'going concern' basis.

11. DEPOSITORY SYSTEM :

Electronic trading of the Company's Equity Shares has been made compulsory by the Securities & Exchange Board of India (SEBI) from 30th October, 2000. As on 31st March, 2010, about 80.93 % share holding representing 8896175 Equity Shares of the Company have been Dematerialized. Your Company has executed agreements with both NSDL and CDSL for demat of its shares.

12. ENVIRONMENTAL PROTECTION & INSURANCE :

Top priority continues to be given to environmental protection for all the units of the Company by keeping emission levels to the minimum possible. Adequate Insurance cover has been taken for properties of the Company including Buildings, Plant & Machineries, Stocks and other assets.

13. AUDITORS :

The retiring Auditors, M/s P.M. Turakhia & Company, Chartered Accountants,

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Mumbai, are eligible for re-appointment and have indicated their willingness to act as such. In terms of Section 224A of the Companies Act, 1956, their appointment needs to be confirmed and their remuneration has to be fixed.

14. AUDITORS' REPORT :

The notes to the Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further explanation under Section 217(3) of the Companies Act, 1956.

15. AUDIT COMMITTEE :

As required by the provisions of Section 292 A of the Companies Act, 1956, and as a consequence of the cessation of Directorship of Mrs. Vilina P. Sheth, the Board of Directors of the Company at their meeting held on 5th March 2010 had reconstituted an Audit Committee comprising of three Non-Executive Directors viz. Mr. Bhadresh H. Shah, Mr. J. B. Patel and Mr. C. A. Rege.

16. PARTICULARS OF EMPLOYEES :

None of the Company's employees were covered by the disclosure requirement pursuant to provisions of Section 217(2A) of the Companies Act, 1956 and rules framed there under.

17. REGULATORY STATEMENT :

In conformity with the provisions of clause 32 of the Listing Agreement/(s)

the Cash Flow Statement for the year ended 31.03.2010 is annexed to the Accounts.

18. SHIFTING OF REGISTERED OFFICE TO DAMAN

As per Section 192A (2) OF THE Companies Act, 1956, Consent of the Members by passing a Special Resolution under Section 17 of the Companies Act, 1956 by means of voting by Postal Ballot to shift the Registered Office of the Company from Vapi , Gujarat to the Union Territory of Daman & Diu for economical and efficient working is required for which the necessary notice , ballot paper and self addressed envelope are being sent separately to the shareholders.

19. ACKNOWLEDGEMENT

Yours Directors place on record their deep appreciation of the continued support received from shareholders and bankers.

On behalf of the Board

PRAVIN V. SHETH

Chairman & Managing Director

Place : Daman

Date :30th July, 2010

Registered Office:

Amee Co-op. Hsg. Society Ltd.

Ground Floor, G.I.D.C.,

Vapi - 396 195,Dist. Valsad, Gujarat

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MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY-STRUCTURE AND DEVELOPMENT :

As you are aware, your Company has been providing innovative and application focused products to enhance value of its customers globally. The customers are from Textile, Furnishing, Agriculture, Hygiene and personal care industries. The Company markets several value added products, which are steadily gaining strength in the overseas market through a net work of dealers and customers. We continue to develop new and innovative products for various applications. The demand for the products of the Company is dependent on the global market and economic growth.

The year 2009-10 continued to be a year of high raw material prices, as was the case for all petroleum based raw materials. The Company was not able to pass on the burden of increase to the customers due to intense competition from China.

BUSINESS OUTLOOK :

The Company sees several opportunities for profitable growth in the areas of value added products, and a growing demand both in the international and domestic markets. The threats that the Company sees are from the Chinese competition in the markets. However, strong quality product development and marketing efforts have enabled the Company to stay ahead. The Company has also improved its geographic presence by

enlarging its position in Europe and the America.

OPPORTUNITIES AND RISKS :

The Company's products depend on the growth of the Global economy and rise in the purchasing power of the population. The spread of the Company's business across the continents has enabled it to cater to a steady demand base, thereby minimizing the dependence on any particular market.

The strengthening Rupee has been an area of major concern for the Company since the Company is a 100% EOU. The strong Rupee has however also meant lower cost of imported raw materials.

However, as exports constitute a major portion, the depreciation in the Rupee did adversely affect the profitability.

In view of the anticipated growth in the demand for the products of the company in the years to come opportunities for the company to improve its performance is bright. The Company has also decided to improve its manufacturing efficiency by incorporating various balancing equipments and also by placing emphasis on efficient and professional management of the available resources of the company. However, the changing International developments affecting the production and distribution of the essential petrochemical products and raw materials are likely to have it s effect in our activities.

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The plant and machinery of the Company are of the state of the art technology. The products of the company are of best quality and have been accepted by well-known end-users in many advanced countries like U.S.A, U.K. etc.

HUMAN/INDUSTRIAL RELATIONS :

Since the very inception of the company, the industrial relation aspect of the company has been very cordial at all locations of the company. The Company believes that manpower is the most valuable primary resource for the growth of the organization. Therefore the company has recruited competent managerial personnel and taken steps for strengthening their efficiency and competency, through their involvement in the company's development and by installation of effective system for improving productivity.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY :

The company maintains adequate internal control systems, which provide among other things, reasonable assurance of recording the transaction of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets.

CAUTIONARY STATEMENT :

Statement in this report on management Discussion and Analysis describing the

company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand and supply conditions, finished goods prices, raw material costs and availability, change in Government regulations and tax structure, economic developments within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information or events.

On behalf of the Board

PRAVIN V. SHETH
Chairman & Managing Director

Place : Daman

Date: 30th July, 2010

Registered Office:

Amee Co-op. Hsg. Society Ltd.

Ground Floor, G.I.D.C.,

Vapi - 396 195,

Dist. Valsad, Gujarat

Fiberweb (India) Limited

REPORT ON CORPORATE GOVERNANCE

This report on Corporate Governance forms part of the Directors Report. This section besides being in compliance of the mandatory listing agreement requirement gives an insight into the process of functioning of the Company.

Company's Philosophy on Code of Corporate Governance

- ❖ To adopt internal and external measures to increase the level of transparency and accountability.
- ❖ To demonstrate to stakeholders that the Company is following right governance practices.
- ❖ To lead the Company towards high growth path of higher profits and revenue.
- ❖ To respect the laws of the land and rights of stakeholders and to get respect from all concerned.
- ❖ To uphold at all times fundamental values of accountability, probity and transparency in all areas of its operations and business practices.

BOARD OF DIRECTORS

➤ Composition of Board of Directors

The Board of Directors comprises of ten members, consisting of seven Non-Executive Directors as per the listing agreement. The Board of Directors of the Company consists of eminent persons with considerable professional experience and expertise in respective fields. The composition is as under:

Name of the Director	Designation	Category	Status
Mr. Pravin V. Sheth	Chairman & Managing Director	Executive	Non-Independent
Mr. B.H. Shah	Director	Non-Executive	Independent
Mr. G.M. Rana	Director (N.R.I.)	Non-Executive	Independent
Mr. J.B. Patel	Director (N.R.I.)	Non-Executive	Independent
Ms. Vilina P. Sheth	Whole-Time Director upto 8/2/2010	Executive	Non-independent
Mr. P.S. Krishnan	Whole-Time Director	Executive	Non-independent
Mr. G. Ravindran	Whole-Time Director	Executive	Non-independent
Mr. Janak R. Patel	Additional Director	Non-Executive	Independent
Mr. Dileep V. Naik	Additional Director	Non-Executive	Independent
Mr. C.A. Rege	Additional Director	Non-Executive	Independent
Mr. Bhavesh P. Sheth	Additional Director (w.e.f. 30.1.2010)	Non-Executive	Independent

None of the Directors is a member in more than Ten Committees or acts as a Chairman in more than five committees across all companies in which he is a Director.

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➤ Board Meetings and attendance record of each Director

(i) Five Meetings of the Board of Directors were held during the year ended 31st March, 2010. these were held on: -

- | | | |
|-----------------------------------|--------------------------------|-----------------------------------|
| 1. 30 th April, 2009 | 2. 31 st July, 2009 | 3. 30 th October, 2009 |
| 4. 30 th January, 2010 | 5. 5 th March, 2010 | |

(ii) The attendance record of each of the Directors at the Board Meetings during the year ended 31st March, 2010 and of the last Annual General Meeting is as under :

Directors	No. of Board Meeting attended	Attendance at Last AGM
Mr. Pravin V. Sheth	4	Yes
Mr. Bhadresh H. Shah	5	Yes
Mr. G.M. Rana (N.R.I.)	Nil	No
Mr. J.B Patel (N.R.I.)	4	No
Ms.Vilina P. Sheth	4	Yes
Mr. P.S. Krishnan	4	No
Mr. G. Ravindran	5	Yes
Mr. Janak R.Patel	5	Yes
Mr. Dileep V. Naik	Nil	No
Mr. C.A. Rege	4	Yes
Mr. Bhavesh P. Sheth	Nil	N/A

Audit Committee

In terms of the provisions of Section 292A of the Companies Act, 1956 and in order to comply with the corporate governance code and as consequence of the cessation of Directorship of Mrs. Vilina P. Sheth the Board of Directors at its meeting held on 5th March 2010 reconstituted an Audit Committee comprising of Mr. Bhadresh H. Shah, Mr. J.B. Patel and Mr. C.A. Rege.

Four Audit Committee Meetings were held on 20th April, 2009, 20th July, 2009 , 20th October, 2009 and 20th January,2010. The Composition of Audit Committee and attendance of each Committee member is as under :

Name of the Audit Committee Member	Designation	No. of meeting attended
Mr. B.H. Shah	Chairman	5
Ms. V.P. Sheth	Member (upto 8-2-2010)	5
Mr. J.B. Patel	Member	1

At the invitation of the Company, Statutory Auditors, Accounts Manager also attended the meeting to answer and clarify queries raised at the Committee meetings.

Fiberweb (India) Limited

Remuneration Policy and Details of Remuneration paid

The Company has on July 30,2004 set up a Remuneration Committee of Directors, consisting of Mr. Bhadresh H. Shah, Chairman, Mr. J. B. Patel and Mr. Gopalji M. Rana.

The terms of remuneration Committee include review and recommendation to the Board of Directors of the remuneration paid to the Directors. The Committee had a Meeting on 20-01-2010 which was attended by Mr. Bhadresh H. Shah and Mr. J.B. Patel.

Details of remuneration paid/payable to the Directors for the year ended on 31st March, 2010(from 01-04-2009 to 31-3-2010) is as follows:

Name	Position held During the year Remuneration	Salary & Allowances	Perquisites	Total
Mr. P.V. Sheth	Chairman & Managing Director	Rs. 1235500	Rs.660000	Rs.1895500
Mr. P.S. Krishnan	Whole-time Executive Director	Rs. 944300	0.	Rs. 944300
Mr. G. Ravindran	Whole-time Executive Director	Rs. 759500	Rs. 62140	Rs. 821640
Ms. Vilina P. Sheth	Whole-time Executive Director	Rs. 655140	Rs.449423	Rs. 1104563

No remuneration was paid to non-executive directors other than the sitting fees aggregating to Rs. 17,000/- paid during the year for attending the Board Meetings.

Board Procedures

The members of the Board have been provided with the requisite information mentioned in the listing agreement well before the Board Meetings and the same were dealt with appropriately. All the directors who are on various committees are within permissible limits of the listing agreement.

Shareholders/Investors Grievances and Share Transfer Committee

As a measure of good corporate governance and to focus on the shareholders' grievances and towards strengthening investors relations and to expedite the transfer process in the physical segment. The Company has constituted a Share Transfer and Shareholders/Investors Grievances Committee consisting of directors of which Shri Bhadresh H. Shah is the Chairman. The Executive Director, Mr. P.S.Krishnan has been designated as the Compliance Officer, during the year ended 31st March, 2010,

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No investors complaints were received and as of 31st March,2010 there were no complaints pending reply. There were no share transfers pending for registration for more than 30 days as on the said date. The Committee met 12 times during the year.

Compliance Certificate

Compliance Certificate for corporate governance from Auditors of the Company is annexed herewith.

General Body Meetings

❖ The details of Annual General Meetings held in last three year are as follows:-

AGM	Day	Date	Time	Venue
22 nd	Friday	29-06-2007	10.00 a.m.	Fortune Hotel Galaxy, Vapi
23 rd	Monday	30-06-2008	10.00 a.m.	Fortune Hotel Galaxy, Vapi
24 th	Wednesday	30-09-2009	10.00 a.m.	Fortune Hotel Galaxy, Vapi.

- ❖ Whether special resolutions were put through postal ballot last year ? **No**
- ❖ Are special resolutions proposed to be put through postal ballot this year ? **Yes**

General Shareholders Informations

The required information is provided in "Shareholders information" Section.

Means of Communication

- ❖ The Board takes on record the unaudited quarterly financial results in the prescribed proforma of the stock exchanges within one month of close of the quarter and announces forthwith the results to all the stock exchanges where the shares of the Company are listed. The quarterly unaudited financial results are also published in **Free Press Journal, Nav Shakti and Sandesh** within 48 hours of the conclusion of the meeting of the Board in which it is approved, same were posted within the stipulated time on the website of SEBI, EDIFAR as per the terms of Listing agreements with Stock Exchanges.
- ❖ Half yearly results/reports is not being sent to each household of shareholders as shareholders are intimated through press.
- ❖ Management Discussion and Analysis Report forms part of this Annual Report.

Disclosure

- ❖ There have been no transactions of material nature between the Company and its promoters, directors, management, their subsidiaries or relatives etc.
- ❖ No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Fiberweb (India) Limited

SHAREHOLDERS INFORMATION

Date, time and venue of 25th AGM	: Wednesday 29th September,2010 at 10a.m. At Fortune Hotel Galaxy, National Highway No.8, Vapi - 396 195, Dist.Valsad, Gujarat.
Accounting Year End 2010	: 31 st March, 2010
Dates of Book Closure	: 22-09-2010 to29-09-2010 (both days inclusive)
Listing on Stock Exchanges	: The Ahmedabad Stock Exchange Ltd. Ahmedabad The Bombay Stock Exchange Ltd, Mumbai
Listing Fees	: Paid for all above stock exchanges as per the listing agreement.
Demat Arrangement	: With NSDL and CDSL
ISIN No.	: INE 296C01012
ASE and BSE Stock Code	: 46910 and 507910
Registered Office	: Ameer Co-op. Hsg. Society Ltd. Ground Floor, G.I.D.C., Vapi - 396 195. Dist. Valsad, Gujarat. Tel No. 0260- 2221858 Fax No. 0260-2262758
Company's E-Mail ID	: fiberweb@vsnl.net
Registrar & Share Transfer Agents	: Sharex Dynamic (India) Pvt. Ltd., Unit No. 1, Luthra Industrial Premises, 1 st Floor, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072 Tel No.022- 2851 5606 /6544 Fax No.022-2851 2885 E-mail ID: sharexindia@vsnl.com
Compliance Officer	: Mr. P.S. Krishnan, Executive Director

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Stock Market Data:

High and Low prices & Trading Volumes at BSE

MONTH	High (Rs.)	Low (Rs.)
April 2009	5.79	4.35
May 2009	7.21	5.51
June 2009	11.90	7.49
July 2009	11.45	7.73
August 2009	10.23	8.00
Sept. 2009	9.99	7.50
October 2009	9.10	6.81
Nov. 2009	7.98	6.21
December 2009	7.89	6.23
January 2010	8.95	7.00
February 2010	9.79	6.30
March 2010	9.00	6.16

Source : www.bseindia.com

Distribution of Shareholding as on 31st March, 2010 :

Category of Shareholder	Number of Shareholders	Percentage of (A+B+C)	Total Number of shares held
(A) Shareholding of Promoters & Promoter Group			
(1) Indian	18	45.85	5039939
(2) Foreign	0	0.00	0
Total shareholding of Promoter & Promoter Group	18	45.85	5039939
(B) Public Shareholding			
(1) Institutions	20	5.32	586191
(2) Non - Institutions.	8539	48.83	5366963
Total Public Shareholding	8559	54.15	5953154
(C) Shares held by custodians		0.00	0
Total (A)+(B)+(C)	8577	100.00	10993093

Fiberweb (India) Limited

Shareholding Pattern by size as on 31st March, 2010

No. of Equity Shares	Shareholders		No. of Shares	
	Number	% of holders	Number	% of shares
1 - 100	2867	33.43	212619	1.93
101 - 200	1902	22.18	323990	2.95
201 - 500	2431	28.34	820690	7.47
501 - 1000	793	9.25	601534	5.47
1001 - 5000	473	5.51	993511	9.04
5001 - 10000	52	0.61	377978	3.44
10001 - 100000	50	0.58	1701805	15.48
100001 - and above	9	0.10	5960966	54.22
Total	8577	100.00	10993093	100.00

Dematerialisation of equity shares

The shares of the Company have been brought under compulsory demat mode with effect from 30th October, 2000. As on 31st March, 2010, about 80.93% share holding representing 8896175 Equity Shares of the Company have been converted into demat form. The Company has executed agreements with both the depositories namely NSDL and CDSL for demat of its shares.

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COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Fiberweb (India) Limited
(Formerly Known as PVD Plast Mould Industries Limited)

1. We have examined the Corporate Governance report of Fiberweb (India) Limited (Formerly known as PVD Plast Mould Industries Limited) for the year ended 31st March, 2010 with the relevant records and documents maintained & furnished to us by the Company and as approved by the Board of Directors.
2. The Compliance of conditions on Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. We state that no investors grievances is pending for a period exceeding one month against the Company as per records maintained by the Shareholders/Investors Grievance Committee.
5. On the basis of our review and according to informations and explanations provided to us, we certify that the Company has complied with the mandatory conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

For P.M. Turakhia & Company,
Chartered Accountants

M.D. TURAKHIA
Proprietor

Place : Daman
Date : 30th July, 2010

Fiberweb (India) Limited

AUDITORS' REPORT

AUDITORS' REPORT TO THE MEMBERS OF THE COMPANY

The Members of

FIBERWEB (INDIA) LIMITED

- 1) We have audited the attached Balance Sheet of FIBERWEB (INDIA) LIMITED, (Formerly known as PVD Plast Mould Industries Limited) as at **31st March 2010**, the Profit and Loss Account and also the 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.
- 2) We conducted our Audit in accordance with the Auditing Standards generally accepted in India. These 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 a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit includes assessing the Accounting Principles used and significant estimates made by management, as well as evaluating the overall Financial Statements presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 , we enclose in the Annexure a Statement on the matters specified in Paragraph 4 and 5 of the said Order.
- 4) Further to our comments, in the Annexure referred to above, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) The Balance Sheet and Profit & Loss Account dealt with by this Report are in agreement with the Books of Account;
 - (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this Report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

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- (v) On the basis of the written representations received from the directors , as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on **31st March 2010** from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts give the information required by the Companies Act, 1956 in the manner so required and **subject to notes forming of Accounts in Schedule 21 in general and note “A” point no.2 and note “C” point no. 4,5,6 & 10 in particular,** give a True and Fair view in conformity with the generally accepted Accounting Principles in India;
- a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March'2010;
- b) In the case of the Profit and Loss Account, of the profit/loss for the year ended on that date; and

For P.M. TURAKHIA & COMPANY
Chartered Accountants

M.D. TURAKHIA
PROPRIETOR

Place: DAMAN
Date: 30.07.2010

Fiberweb (India) Limited

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF "M/S FIBERWEB (INDIA) LIMITED." ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH'2010.

On the basis of the presentations received from the management and according to the explanation given, information furnished to us and on the basis of scrutiny of books & records, we are of the opinion that: -

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details & situation of fixed assets.
- (b) All the Assets have not been physically verified by the Management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Fixed Assets. No material discrepancies were noticed on such verification.
- (c) During the year, the Company has not disposed off a major or substantial part of fixed assets so as to affect the going concern status of the Company.
- ii) (a) The Inventory has been physically verified during the year by the Management. The frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory 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 inventory. The material discrepancies noticed on physical verification have been properly dealt with in the books of accounts.
- iii) (a) The Company had not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
- (b) Hence the provisions as to whether the rate of interest and other terms and conditions of loans by the company, secured or unsecured, are prima facie prejudicial to the interest of the company are not applicable.
- (c) So also the provisions as to whether the payment of principal and interest are Also regular are not applicable.
- (d) Similarly the provisions as to whether reasonable step have been taken by the Company for recovery of the principal and interest, if the overdue amount is more than one lakh are not applicable.

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- (e) The Company had not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
 - (f) Hence the provisions as to whether the rate of interest and other terms and conditions of loans taken by the company, secured or unsecured, are prima facie prejudicial to the interest of the company are not applicable.
 - (g) So also the provisions as to whether the payment of principal and interest are Also regular are not applicable.
- iv) There is adequate inventory control procedure commensurate with the size of the company and nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. There is no continuing failure to correct major weaknesses in internal control.
- v) (a) there are no contracts or arrangements the particular of which are required to be entered into the register in pursuance of section 301 Of the Companies act 1956.
- (b) Hence the provisions as to whether the transactions made in pursuance of such Contracts or Arrangements have been made at which are reasonable, having regard to the prevailing market prices at the relevant time are not applicable.
- vi) As the Company has not accepted deposits from the public, hence the question of complying with the directions issued by the Reserve Bank of India and the provision of section 58A & 58AA or any other relevant provisions of the Act and the rules framed there under ,where applicable, have been complied with and in case of non compliance, stating of nature of contraventions and whether the company has complied with the order of the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal are not applicable.
- vii) The company has an internal audit system commensurate with the size of the company and nature of its business.
- viii) Maintenance of Cost Records has not been prescribed by the Central Government under section 209 (1) (d) of the Companies Act 1956.
- ix) (a) The company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax Wealth Tax, Custom Duty, Excise Duty, and Cess any other material statutory dues applicable to it.

Fiberweb (India) Limited

- (b) No Un-disputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and Cess were in arrears, as at 31st March'2010, for a period of more than six months from the date they became payable.
- (c) There are no dues of sales tax , income tax, custom tax , wealth tax, service tax , excise duty and Cess which have not been deposited on account of any dispute.
- x) The accumulated losses of the company are not more than 50%(fifty percent) of its Net Worth and hence the company has filed a reference with the BIFR, New Delhi Under the SICA 1985 which has been registered by the BIFR.the company registered under the Sick Unit vide BIFR's order dated 18.01.2007.The company has incurred Cash Profit of Rs.21, 657,698/- in the current financial year and a cash loss of Rs.7, 972,090/- in the immediate preceding financial year. In arriving at the accumulated loss and net worth, we have considered the qualifications which are quantifiable in the Audit Report of the year to which these losses pertain.
- xi) The company has defaulted in repayment of dues to the following financial institution/s and / or Banks and / or Debenture holders in respect of the following amounts and the period mentioned there against: -

Sr. No.	Name of the Financial Institution / Banks	Principal Amount	Interest Amount	Period
1.	* BHF Bank – Term Loan	34,89,56,639	38,63,24,163	14 Years
2.	Unit Trust of India – Term Loan	1,00,00,000	72,28,492	13 Years
3.	Canara Bank – Lease Rentals	1,73,07,490	-	13 years
4.	Unit Trust Of India – Debentures	2,00,00,000	1,67,39,560	Since 19.02.1998
5.	Unit Trust Of India –Debentures	3,00,00,000	2,46,25,068	Since 28.09.1998

* Since, The BHF Bank's loan along with the interest was covered by Insurance; they had received their full claim from Hermes Insurance Company. However, the Company has not written off the above dues as the matter is sub-judice.

Since the company is declared as Sick Company by BIFR and rehabilitation scheme is submitted, the interest has not been provided since then and the dues stays suspended and therefore company cannot be considered as defaulter.

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- xii) The Company has not granted any Loans & Advances on the basis of Security by way Pledge of Shares, Debentures and other securities. Hence, the provisions as to whether the adequate documents and records are maintained and to point out the deficiencies, if any in this regard are not applicable.
- xiii) The Company is not a Chit Fund or Nidhi / Mutual Benefit Fund/Society. Hence, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) The Company is not dealing in or trading in Shares, Securities, Debentures and other investments. Hence, the provisions of Clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv) The company has not given any guarantee for loans taken by others from Bank or Financial Institution. Accordingly, the provisions as to whether the terms & conditions in respect thereof are prejudicial to the interest of the Company are not applicable to the company.
- xvi) The company has no recorded, obtained any terms loans. Hence, comments under the clause are not called for the provisions as to whether the price at which shares have been issued is prejudicial to the interest of the company are not applicable.
- xvii) No funds raised on short term basis have been used for the long term investment by the company
- xviii) The company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act.1956. Hence the provisions as to whether the price at which shares have been issued is prejudicial to the interest of the company are not applicable.
- xix) According to the records of the company, the company has not issued any Debentures.
- xx) The company has not raised any money by public issue. Hence the provisions as to whether the management has disclosed on the end use of money raised by public issue and the same has been verified are not applicable.
- xxi) No fraud on or by the company has been noticed or reported during the course of our Audit.

FOR P. M. TURAKHIA & COMPANY
CHARTERED ACCOUNTANTS

(M. D. TURAKHIA)
PROPRIETOR

PLACE : DAMAN
DATE : 30.07.2010

Fiberweb (India) Limited

BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule No.	12 Months 31.03.2010 Rupees	15 Months 31.03.2009 Rupees
SOURCES OF FUNDS :			
Shareholder's Funds			
Share Capital	1	109,930,930	109,930,930
Reserves & Surplus	2	157,550,926	157,550,926
		<u>267,481,856</u>	<u>267,481,856</u>
Loan Funds :			
Secured Loans	3	88,864,628	91,364,628
Unsecured Loans	4	850,920,609	849,620,609
		<u>939,785,237</u>	<u>940,985,237</u>
	TOTAL	<u>1,207,267,093</u>	<u>1,208,467,093</u>
APPLICATION OF FUNDS :			
Fixed Assets :	5		
Gross Block		453,158,868	814,919,499
Less: Depreciation		17,643,660	361,894,294
Net Block		<u>435,515,208</u>	<u>453,025,205</u>
Investments :			
Investment in Eq. Shares	6	10,700	10,700
Current Assets Loans & Advances :			
Inventories	7	67,489,409	63,845,140
Sundry Debtors	8	29,868,501	18,867,838
Cash & Bank Balances	9	51,247,735	34,054,979
Loans and Advances	10	8,905,660	7,985,096
	TOTAL (A)	<u>157,511,305</u>	<u>124,753,053</u>
Less : Current Liabilities & Provisions Liabilities	11	<u>23,287,737</u>	<u>11,674,240</u>
	TOTAL (B)	<u>23,287,737</u>	<u>11,674,240</u>
Net Current Assets (A – B)		<u>134,223,568</u>	<u>113,078,813</u>
Miscellaneous Expenditure to the extent not w / off or adjusted Profit & Loss Account	12	2,771,784	3,592,504
	TOTAL	<u>634,745,833</u>	<u>638,759,871</u>
	TOTAL	<u>1,207,267,093</u>	<u>1,208,467,093</u>
Significant Accounting Policies & Notes Forming Part of the Accounts	21	0	0
AS PER OUR REPORT OF EVEN DATE		For FIBERWEB (INDIA) LIMITED	
For P. M. TURAKHIA & COMPANY CHARTERED ACCOUNTANTS		On behalf of Board of Directors	
M. D. TURAKHIA (PROPRIETOR)		PRAVIN V. SHETH Chairman & Managing Director	
PLACE : DAMAN DATED : 30.07.2010		P. S. KRISHNAN } G. RAVINDRAN } Exec. Directors	

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PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule No.	12 Months 31.03.2010 Rupees	15 Months 31.03.2009 Rupees
INCOME			
Sales	13	312,913,018	401,538,705
Miscellaneous Income	14	171,312	6,564,621
Increase / (Decrease) in Stock	15	8,892,751	(8,283,272)
TOTAL		<u>321,977,081</u>	<u>399,820,054</u>
EXPENDITURE			
Consumption of Raw Materials	13a	206,433,638	301,717,957
Excise Duty		11,149,491	14,257,776
Exchange Difference		159,353	0
Employee's Remuneration & Benefits	16	18,707,744	22,008,797
Interest	17	125	3,501,838
Selling Expenses	18	17,832,687	10,699,621
Other Expenses	19	45,215,625	56,768,910
Miscellaneous Expenditure Written off	20	820,720	1,005,980
Fringe Benefit Tax		0	322,661
TOTAL		<u>300,319,383</u>	<u>410,283,540</u>
PROFIT			
Profit / (Loss) before Depreciation		21,657,698	(10,463,486)
Depreciation		(17,643,660)	(30,371,173)
Profit / (Loss) after Depreciation		4,014,038	(40,834,659)
EXTRA ORDINARY ITEMS			
Loss on Revaluation of Assets	2A	0	385,325,880
Net Profit / (Loss) before Tax		4,014,038	344,491,221
Balance carried from earlier year		(638,759,871)	(983,251,092)
Balance carried to Balance Sheet		<u>(634,745,833)</u>	<u>(638,759,871)</u>
Basic & Diluted Earning Per Share (Rs.)		-	-
Significant Accounting Policies & Notes Forming Part of the Accounts	21		

AS PER OUR REPORT OF EVEN DATE

For **FIBERWEB (INDIA) LIMITED**

For **P. M. TURAKHIA & COMPANY**
CHARTERED ACCOUNTANTS

On behalf of Board of Directors

M. D. TURAKHIA
(PROPRIETOR)

PRAVIN V. SHETH Chairman & Managing Director

P. S. KRISHNAN
G. RAVINDRAN } Exec. Directors

PLACE : DAMAN
DATED : 30.07.2010

Fiberweb (India) Limited

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	12 Months 31.03.2010 Rupees	15 Months 31.03.2009 Rupees
<u>SCHEDULE 1</u>		
SHARE CAPITAL		
Authorised :		
15000000 (15000000) Equity Shares of Rs. 10/- each	150,000,000	150,000,000
5000000 (5000000) Preference Shares of Rs. 10/- each	50,000,000	50,000,000
TOTAL	200,000,000	200,000,000
Issued, Subscribed & Paid Up :		
10993093 (10993093) Equity Shares of Rs.10/- each. (Including 1000000 Bonus Shares of Rs.10/- each issued by capitalisation of General Reserve)	109,930,930	109,930,930
	0	0
TOTAL	109,930,930	109,930,930
<u>SCHEDULE 2</u>		
RESERVES & SURPLUS		
Share Premium	132,447,305	132,447,305
Share Forfeiture Account	63,440	63,440
Debenture Redemption Reserve	21,000,000	21,000,000
Reserve for Doubtful Debts Less Bad Debts. W/off	4,040,181	4,040,181
TOTAL	157,550,926	157,550,926
<u>SCHEDULE 2A</u>		
LOSS ON REVALUATION OF ASSETS		
	12 Months	15 Months
Revaluation of Fixed Asstes	0	222,550,613
Unrealised Loans & Advances	0	(324,303)
Decline in value of investment	0	7,300
TOTAL	0	222,233,610
Reduction in Liabilities	0	163,092,270
TOTAL	0	385,325,880

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SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	12 Months 31.03.2010 Rupees	15 Months 31.03.2009 Rupees
SCHEDULE 3		
SECURED LOANS		
I. Debentures		
17.5% 200000 Non-Convertible Debentures of the face value of Rs.100/- each privately placed with Unit Trust of India redeemable in three equal annual installments commencing on the expiry of the 4th year from the date of allotment, being 9.2.1994	20,000,000	20,000,000
Interest Payable on above	7,455,675	7,455,675
Interest Payable as claimed in plaint before DRT (up to 31.12.1999) No security is created & registered with Registrar of Companies	9,283,885	9,283,885
17.5% 300000 Non-Convertible Debentures of the face value of Rs.100/- each privately placed with Unit Trust of India redeemable in six equal annual installments commencing on the expiry of 4th year from the date of allotment, being 28.09.1995	30,000,000	30,000,000
Interest Payable on above	9,635,865	12,135,865
Interest Payable as claimed in plaint before DRT (up to 31.12.1999)	12,489,203	12,489,203
TOTAL	88,864,628	91,364,628
SCHEDULE 4		
UNSECURED LOANS		
Long Term Foreign Currency Loan from BHF Bank, Frankfurt	348,956,639	348,956,639
Interest Payable on above	386,324,163	77,414,591
Interest provided for earlier year	0	308,909,572
TOTAL	735,280,802	735,280,802
Other Short Term Loans & Advances	115,639,807	111,624,572
Interest Payable as claimed in plaint before DRT (up to 31.12.1999)	0	2,715,270
TOTAL	850,920,609	849,620,609

Fiberweb (India) Limited

SCHEDULE 5 **FIXED ASSETS**

Sr. No.	Name of the Assets	Gross Block			Depreciation			Net Block		
		As on 1.4.09	Additions During the Year	Sales During the Year	As on 31.3.10	Upto Date	Current Year	Upto 31.03.10	31.03.10	31.03.09
		(Revalued Fig.)	Year	Year	31.3.10	Date	2009-10	31.03.10	31.03.10	31.03.09
1	2	3	4	5	6	7	8	9		
1.	LEASHOLD LAND	5,098,905	0	0	5,098,905	0	0	0	5,098,905	5,098,905
2.	FREEHOLD LAND DAMAN	59,700,750	0	0	59,700,750	0	0	0	59,700,750	59,700,750
3.	FACTORY BUILDING-DAMAN	62,811,019	0	0	62,811,019	0	2,097,888	2,097,888	60,713,131	62,811,019
4.	FACTORY BUILDING-VAPI	2,205,983	0	0	2,205,983	0	73,680	73,680	2,132,303	2,205,983
5.	OFFICE PREMISES (VAPI)	19,599	0	0	19,599	0	331	331	19,268	19,599
6.	PLANT & MACHINERY-DAMAN	319,715,654	36,563	0	319,752,217	0	15,187,455	15,187,455	304,564,762	319,715,654
7.	ELECTRIC INSTALLATION	917,280	0	0	917,280	0	43,571	43,571	873,709	917,280
8.	OFFICE EQUIPMENT	105,619	0	0	105,619	0	5,017	5,017	100,602	105,619
9.	FURNITURE & FIXTURE	271,195	0	0	271,195	0	17,167	17,167	254,028	271,195
10.	VEHICLES	1,943,338	0	75,000	1,868,338	0	180,030	180,030	1,688,308	1,943,338
11.	COMPUTER	113,435	172,100	0	285,535	0	32,707	32,707	252,828	113,435
12.	OTHER ELECTRICAL ITEMS	122,428	0	0	122,428	0	5,815	5,815	116,613	122,428
	TOTAL	453,025,205	208,663	75,000	453,158,868	0	17,643,660	17,643,660	435,515,208	453,025,205

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SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	12 Months 31.03.2010 Rupees	15 Months 31.03.2009 Rupees
<u>SCHEDULE 6</u>		
INVESTMENTS		
Investment in Goa Bank Shares		
107 shares @ 100/- each	10,700	10,700
	10,700	10,700
<u>SCHEDULE 7</u>		
INVENTORIES		
(As valued and certified by the Management)		
(i) Stores & Spare Parts	16,759,241	17,087,745
(ii) Stock in Trade		
(a) Raw Materials	13,204,329	17,334,760
(b) Finished Goods	37,022,116	28,123,065
(c) Semi-Finished Goods	0	6,300
(d) Packing Material	503,723	1,293,270
TOTAL	67,489,409	63,845,140
<u>SCHEDULE 8</u>		
SUNDRY DEBTORS		
(Unsecured Considered Good)		
(a) Debts outstanding for a period not exceeding 6 months	18,704,390	0
(b) Other Debts	11,164,111	18,867,838
TOTAL	29,868,501	18,867,838

Fiberweb (India) Limited

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	12 Months 31.03.2010 Rupees	15 Months 31.03.2009 Rupees
<u>SCHEDULE 9</u>		
CASH AND BANK BALANCES		
a) Cash in Hand	2,308,183	1,155,507
b) Bank Balances		
Balance with Scheduled Banks		
(i) In Current Account	47,476,134	31,284,560
(ii) In Fixed Deposit (Margin Money)	1,463,418	1,614,912
TOTAL	<u>51,247,735</u>	<u>34,054,979</u>
<u>SCHEDULE 10</u>		
LOANS AND ADVANCES		
(Unsecured – Considered Goods)		
Advances recoverable in cash or kind for value to be received	6,775,347	5,785,854
Sundry Deposits	2,130,313	2,199,242
TOTAL	<u>8,905,660</u>	<u>7,985,096</u>
<u>SCHEDULE 11</u>		
CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors		
– For Goods	16,062,131	5,250,552
– For Expenses	7,225,606	6,423,688
TOTAL	<u>23,287,737</u>	<u>11,674,240</u>
<u>SCHEDULE 12</u>		
MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF)		
Exp. on Index 2008 Trade Fair	1,730,071	2,212,064
Exp. on Index 2005 Trade Fair	889,190	1,175,365
Exp. on Index 2002 Trade Fair	152,523	296,075
TOTAL	<u>2,771,784</u>	<u>3,592,504</u>
<u>SCHEDULE 13</u>		
SALES		
Export Sales	197,440,044	245,135,436
Domestic Sales	115,472,974	156,403,269
TOTAL	<u>312,913,018</u>	<u>401,538,705</u>

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SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	12 Months 31.03.2010 Rupees	15 Months 31.03.2009 Rupees
SCHEDULE 13a		
CONSUMPTION OF RAW MATERIALS		
Opening Stock :		
Raw Materials	12,974,260	41,828,051
Purchases	206,663,707	272,864,166
	219,637,967	314,692,217
Closing Stock :	13,204,329	12,974,260
TOTAL	206,433,638	301,717,957
SCHEDULE 14		
OTHER INCOME		
Interest from I.T. Refund & Bank	171,312	0
Compenstion from suppliers	0	400,000
Exchange Differences	0	6,164,621
TOTAL	171,312	6,564,621
SCHEDULE 15		
INCREASE / (DECREASE) IN STOCK		
Opening Stock :		
Finished Goods	28,123,065	36,406,090
Semi-Finished Goods	6,300	6,547
TOTAL	28,129,365	36,412,637
Closing Stock :		
Finished Goods	37,022,116	28,123,065
Semi-Finished Goods	0	6,300
TOTAL	37,022,116	28,129,365
Increase (+) / (Decrease) (-) in Stock	8,892,751	(8,283,272)
SCHEDULE 16		
EMPLOYEE'S REMUNERATION & BENEFITS		
Salary and Wages	12,388,412	15,349,540
Provident Fund & Other Funds	1,310,908	1,355,008
Others	242,421	788,838
TOTAL (A)	13,941,741	17,503,386
SCHEDULE 16A		
MANAGERIAL REMUNERATION & BENEFITS		
Salary and Bonus	3,465,286	3,315,786
Provident Fund & Other Fund	414,154	396,214
Others	886,563	793,411
TOTAL (B)	4,766,003	4,505,411
TOTAL (A+B)	18,707,744	22,008,797

Fiberweb (India) Limited

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	12 Months 31.03.2010 Rupees	15 Months 31.03.2009 Rupees
SCHEDULE 17		
INTEREST		
To Bank	0	3,501,838
To Others	125	0
TOTAL	<u>125</u>	<u>3,501,838</u>
SCHEDULE 18		
SELLING EXPENSES		
Commission on Sales	1,934,753	197,242
Freight, Clearing & Forwarding	12,923,271	9,692,463
Sales Promotion Expenses	338,547	809,916
Selling Expenses (Export)	2,387,500	0
Insurance charge export	248,616	0
TOTAL	<u>17,832,687</u>	<u>10,699,621</u>
SCHEDULE 19		
OTHER EXPENSES		
Bank Charges	1,508,891	1,525,304
Consumption of Packing Material	10,982,517	12,941,029
Consumption of Stores	3,053,615	8,620,768
Conveyance & Travelling	3,431,352	2,013,099
Directors sitting Fees	17,000	14,000
Festival Celebration Exps.	54,551	139,822
Insurance Charges	225,087	1,234,372
Infrastructure Developments	250,000	0
Legal & Professional Charges	1,337,001	2,383,968
Miscellaneous Expenses	3,492,848	3,651,461
Motor Car Expenses	1,176,611	1,483,243
Payment to Auditors		
– Audit Fees	120,000	120,000
– Tax Audit Fees	60,000	60,000
Power & Fuel	15,577,641	16,396,778
Printing & Stationery	293,806	361,248
Rates & Taxes	442,622	610,533
Repairs to Others	285,450	1,583,499
Repairs to Plant & Machinery & Building	1,212,542	1,657,459
Security Charges	722,973	1,137,742
Telephone Charges	586,869	663,291
Rent	288,164	105,744
Gift Expenses	42,800	0
Canteen Expenses	53,285	64,550
TOTAL	<u>45,215,625</u>	<u>56,768,910</u>
SCHEDULE 20		
MISCELLANEOUS EXPENDITURE NOT W / OFF		
Exp. on Index 2008 Trade Fair	390,993	615,887
Exp. on Index 2005 Trade Fair	286,175	255,513
Exp. on Index 2002 Trade Fair	143,552	134,580
TOTAL	<u>820,720</u>	<u>1,005,980</u>

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SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

SCHEDULE 21

NOTES FORMING PARTS OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010.

A. SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL :

- (a) The Accounts are prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provision of the Companies Act, 1956 as adopted consistently by the Company.
- (b) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.

2. FIXED ASSETS :

Fixed assets are stated as revalued figures, Assets were revalued as on 31.03.2009.

3. DEPRECIATION :

Depreciation is provided on straight line basis applying the rates specified in Schedule XIV of the Companies Act, 1956.

4. INVENTORIES :

Raw materials and consumable stores are valued at cost. Finished and semi-finished goods are valued at lower of cost or market value.

5. REVENUE RECOGNITION :

In case of Sales of Goods – When the property and all significant risk and rewards of ownership are transferred to the buyer or no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods. It excludes amounts recovered towards Sales Tax and includes amount received towards processing activities done for other, if any.

6. TREATMENT OF EXPENDITURE DURING CONSTRUCTION PERIOD :

All normal pre-production revenue expenditure including interest on borrowed funds up to fabric till the commencement of commercial production are capitalized.

7. TREATMENT OF EMPLOYEES BENEFITS :

Benefits payable to employees during their tenure of employment viz. Bonus, Leave Encashment etc. are accounted on cash basis.

Retirement benefits are accounted as and when the same become due for payment.

8. CURRENCY TRANSACTION :

- (i) Import and Export of goods in foreign currency are accounted at exchange rates prevailing on the date of payment, whenever made.
- (ii) Term loans in foreign currency for financing capital expenditure were accounted at rupee equivalent values on the date of loans disbursement. Till 31.12.2001 year-end outstanding loans were reconverted at the rate prevailing on Balance Sheet date.

9. MISCELLANEOUS EXPENDITURE :

Expenses on Index 2002 Trade Fair, Expenses on Index 2005 Trade Fair are amortized equally over three and five years and Expenses on Index 2008 Trade Fair are amortized equally over eight years.

10. TREATMENT OF CONTINGENT LIABILITIES / GAINS :

The amount of contingent losses are charged to the Profit & Loss Account on a reasonable estimated basis it is probable that future event confirm that an asset has been impaired or a liability has been incurred as at the Balance Sheet date and contingent gains are not recognized in the accounts.

Fiberweb (India) Limited

B. ADDITIONAL INFORMATION PURSUANT TO SCHEDULE VI OF COMPANIES ACT, 1956

(a) Payments to and provisions for Managerial Personals :	12 Months 31.03.2010 Rupees	15 Months 31.03.2009 Rupees
(i) Payment to Directors as under :		
Salary & Bonus	34,65,286	37,12,000
Contribution to Provident Fund	4,14,154	4,43,760
Other Perquisites	8,86,563	7,93,411
TOTAL	47,66,003	49,49,171
(ii) Auditors Remuneration :		
Payment to Auditors	1,80,000	1,80,000
(iii) No transactions were entered into with any related parties as mentioned under AS-18 during the year.		
(iv) Segment Reporting : The company's main business is "Polymer Processing" and all other activities of the company revolve around this main business. As such there are no separate reportable segment within the company and hence, the segmentwise reporting as defined in AS-17 is not applicable to the company.		

(b) Quantitative and other Information :	31.03.2010 (in M.Ts.)	31.03.2009 (in M.Ts.)
(i) Licensed Capacity		
Blow Moulded & Roto Moulded articles	226	226
: VAPI COB Licence		
: SIA Reg.	1336	1336
: DAMAN SIA Reg.	3000	3000
100% (E.O.U.) Garbage & carrier bags	2000	2000
100% (E.O.U.) Spunbond non-woven fabric	3000	3000
Multi-layer Blown Films	4000	4000
(ii) Installed Capacity	31.03.2010 (in M.Ts.)	31.03.2009 (in M.Ts.)
Blow Moulded & Roto Moulded articles	2000	2000
: VAPI		
: DAMAN	2000	2000
100% (E.O.U.) Garbage & carrier bags	1500	1500
100% (E.O.U.) Spunbond non-woven fabric	4000	4000
Multi-layer Blown Films	4000	4000
: DAMAN		

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(iii) Production	12 Months 31.03.2010 (in M.Ts.)	15 Months 31.03.2009 (in M.Ts.)
Blow Moulded & Roto Moulded articles :	NIL	NIL
Spunbond non-woven fabric :	3185.883	3701.312
Multi-layer Blown film garbage bags & others :	33.037	50.631

(iv) Information in regard to Opening Stock, Closing Stock & Sales	31.03.2010		31.03.2009	
	Qty. (in M.Ts.)	Rs. (in lacs)	Qty. (in M.Ts.)	Rs. (in lacs)
Opening Stock				
Blow Moulded & Roto Moulded articles	-	-	4,249 (Pcs)	15.06
Spunbond non-woven Fabrics	425.684	265.83	459.536	332.80
Multilayer Blown films & others	41.009	15.40	43.33	16.27
TOTAL		281.23		364.13
Closing Stock				
Spunbond non-woven Fabrics	515.569	353.82	425.684	265.83
Multilayer Blown films & others	42.009	16.40	41.009	15.40
TOTAL		370.22		281.23
Sales				
Spunbond non-woven Fabrics	3095.998	3104.81	3735.312	3656.57
Multilayer Blown films & others	32.037	24.32	52.804	420.28
TOTAL		3129.13		4076.85

Fiberweb (India) Limited

(v) Consumption of Raw Materials	12 Months 31.03.2010		15 Months 31.03.2009	
	KGS	Rs.	KGS	Rs.
Raw Materials	3332.690	2064.34	3762.242	3017.28
Semi-processed materials				
(vi) CIF value of Imports	31.03.2010 (Rs. in Lacs)		31.03.2009 (Rs. in Lacs)	
Raw Materials	1935.66		2596.39	
Stores & Spares	20.62		16.34	
TOTAL	1956.28		2612.73	
(vii) Value of Imported & indigenous Raw materials & chemicals Consumed & percentages of the Total consumption	31.03.2010		31.03.2009	
	%	Rs. in Lacs	%	Rs. in Lacs
Imported	94.00	1935.66	95.36	2877.18
Indigenous	6.00	130.98	4.64	140.00
TOTAL	100.00	2066.64	100.00	3017.18
(viii) Earning in foreign exchange				
Export of goods				
FOB Basis	1908.66		2362.28	
(ix) Expenditure in foreign currency				
(a) Traveling	1.48		12.49	
(b) Employees Training Expenses	0		0	
TOTAL	1.48		12.49	
(x) BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE				
I. Registration Details				
Registration No.	:	8208 of 1985-86		
State Code	:	04		
Balance Sheet Date	:	31st March, 2010		
II. Capital Raised during the year	(Amount in Rs. Thousands)			
Public Issue	:	NIL		
Right Issue	:	NIL		
Bonus Issue	:	NIL		
Private Placement	:	NIL		
III. Position of Mobilisation and Deployment of funds				
Total Liabilities	:	1207267		
Total Assets	:	1207267		

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Sources of funds

Paid up Capital	:	109931
Reserves & Surplus	:	157551
Secured Loans	:	88865
Unsecured Loans	:	850920
TOTAL		1207267

Application of funds

Net Fixed Assets	:	435515
Investments	:	11
Net Current Assets	:	134224
Miscellaneous Expenditure	:	2771
Profit & Loss Account	:	634746
TOTAL		1207267

IV. Performance of the company

Total Income	:	321977
Total Expenditure	:	317963
Net Profit / Loss	:	4014
Earning per Share	:	
Dividend Rate (%)	:	NIL

V. Generic Name of Principal

Products/Services of the Company

(As per monetary terms)

Item Code No. (I.T.C. Code)

		<i>Product Description</i>
39 (23)	:	Blow Moulded & Roto Moulded
39 (20)	:	Multi - layer Blow Film & Garbage bags & Carrier Bags
56 (07)	:	Spun Bond Non-woven Fabrics

C. OTHER NOTES ON ACCOUNTS

1. Pursuant to a reference made by the Company, the Hon'ble Bench of the BIFR, New Delhi has by their Order dated 18th January 2007, declared the company as a "SICK INDUSTRY".
2. The company has availed non funding facilities from its bankers. In this connection Rs.14,63,418/- (previous year Rs. 16,14,912/-) are kept with banks as lien /margin money **against guarantees** issued by them. Contingent liability for bills discounted with Dena Bank is NIL.
3. Regarding leased assets taken from Canara Bank, Bangalore, the matter is pending **before the Karnataka High Court against the Arbitrator's Award. Also this matter is before BIFR.** In view of this no provision is made for lease rent in the accounts.
4. Debtors and Creditors balances are subject to confirmations from the parties.
5. The Company has not ascertained liability towards payment of gratuity and hence no provision has been made in accounts. **It is accounted for on the basis of payment.**

Fiberweb (India) Limited

6. In the opinion of the Board of Directors the Current Assets, Loans & Advances except those shown as doubtful have a value on realization in the ordinary course of business at least equal to the amount at which items are stated in the Balance Sheet.
7. The Company operates in a single segment namely "Polymer Processing". Hence segment wise reporting as defined in AS 17 of ICAI is not applicable.
8. The Company has approached UTI for OTS of NCD and unsecured loan which is under active consideration. The effect of the same will be given on finalization of terms with UTI. However interest up to 31.12.99 is provided as per their claim before DRT. The Management informed that UTI has agreed Orally in principle to waive further interest.
9. Modvat credit of Excise duty taken on purchase of Raw Materials is not included in the value of inventory of raw material. Also value of inventory of finished goods does not include excise duty payable on manufacture. This has no effect on the profit of the Company.
10. Figures of the previous year have been re-grouped / rearranged /reclassified wherever necessary.

Signatories to the Schedule 1 to 20

AS PER OUR REPORT OF EVEN DATE

For **P. M. TURAKHIA & COMPANY**
CHARTERED ACCOUNTANTS

M. D. TURAKHIA
(PROPRIETOR)

PLACE : DAMAN
DATED : 30.07.2010

For **FIBERWEB (INDIA) LIMITED**

On behalf of Board of Directors

PRAVIN V. SHETH *Chairman & Managing Director*

P. S. KRISHNAN
G. RAVINDRAN } *Exec. Directors*

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	31.03.2010 Rs.	31.03.2009 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) Before Tax and Extraordinary Items	4014038	344491221
Adjustments for :		
(i) Depreciation	17643660	30371173
(ii) Misc Expenses written off	820720	1005980
(iii) Revaluation of Assets	0	222550613
(iv) Interest Income	171312	0
Operating Profit/(Loss) Before Working Capital Changes	22307106	153317761
Adjustment for :		
(i) Trade and Other receivables	(11000664)	(8287904)
(ii) Inventories	(3644269)	37009341
(iii) Trade and Other Payables	11613497	5645365
Cash Generated from Operations	19275670	187684563
Interest Paid	125	3501838
Cash flow Before Extraordinary Items	19275795	191186401
Extraordinary ItemsTrade Fair 2005	0	0
Extraordinary ItemsTrade Fair 2008	0	(2231090)
Net Cash From Operating Activities	<u>19275795</u>	<u>188955311</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
(i) Purchase of Fixed Assets	(133663)	(12235397)
(ii) Purchase of Investments	0	(10700)
(iii) Sale of Fixed Assets	0	0
(iv) Decrease/(Increase) in Advances	(920563)	1246290
(v) Interest Received	171312	0
Net Cash used in Investing Activities	<u>(882914)</u>	<u>(10999807)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
(i) Proceeds from Issue of Share Capital	0	0
(ii) Proceeds from Long Term Borrowings (Net)	(1200000)	(229474933)
(iii) Repayment of Short Term Borrowings (Net)	0	77634832
(iv) Right Issue expenses	0	0
(v) Interest paid	(125)	(3501838)
(vi) Dividend paid	0	0
(vii) Reserve for doubtful debts.	0	(2148)
Net Cash used in Financing Activities	<u>(1200125)</u>	<u>(155344087)</u>

Fiberweb (India) Limited

	31.03.2010 Rs.	31.03.2009 Rs.
D. NET DECREASE / (INCREASE) IN CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents (Opening Balance)	34054979	11443562
Cash and Cash Equivalents (Closing Balance)	51247735	34054979
Decrease / (Increase) in Cash and Cash Equivalents	<u>(17192756)</u>	<u>(22611417)</u>
	0	0

AS PER OUR REPORT OF EVEN DATE

For **FIBERWEB (INDIA) LIMITED**

For **P. M. TURAKHIA & COMPANY**
CHARTERED ACCOUNTANTS

On behalf of Board of Directors

M. D. TURAKHIA
(PROPRIETOR)

PRAVIN V. SHETH *Chairman & Managing Director*

P. S. KRISHNAN
G. RAVINDRAN } *Exec. Directors*

PLACE : DAMAN
DATED : 30.07.2010

AUDITORS' REPORT

We have examined the above Cash Flow Statement of FIBERWEB (INDIA) LIMITED for the period ended 31st March, 2010. The Statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with Stock Exchanges and is based on and in agreement with corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 30th July, 2010 to the members of the Company and reallocation required for the purpose are as made by the Company.

For **P. M. TURAKHIA & COMPANY**
(CHARTERED ACCOUNTANTS)

M. D. TURAKHIA
(PROPRIETOR)

Place : Daman
Date : 30th July, 2010

FIBERWEB (INDIA) LIMITED
(Formerly known as PVD Plast Mould Industries Ltd.)

Registered Office :
Amee Co-op. Hsg. Society Ltd., Ground Floor, G.I.D.C.
Vapi, (Dist.) Valsad - 396 195, GUJARAT

L.F. No.	
No. of Shares held	
Depository Account No.	

ATTENDANCE SLIP

I / We hereby record my / our presence at the 25th Annual General Meeting of the Company at Fortune Hotel Galaxy, National Highway No.8, G.I.D.C., Vapi - 396 195, Dist. Valsad, Gujarat at 10.00 a.m. on Wednesday, 29th September, 2010.

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS) _____

SIGNATURE OF THE SHAREHOLDER / PROXY* _____

* Strike out whichever is not applicable.

NOTES :

1. You are requested to sign and hand this over at the entrance.
2. If you intend to appoint a proxy to attend the meeting instead of yourself, the Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
3. Persons attending the Annual General Meeting are requested to bring their copies.

FIBERWEB (INDIA) LIMITED
(Formerly known as PVD Plast Mould Industries Ltd.)

Registered Office :
Amee Co-op. Hsg. Society Ltd., Ground Floor, G.I.D.C.
Vapi, (Dist.) Valsad - 396 195, GUJARAT

L.F. No.	
No. of Shares held	
Depository Account No.	

FORM OF PROXY

I / We _____ of _____
in the district of _____ being a member / members of the above named Company
hereby appoint _____ of _____ in the
district of _____ or failing him _____ of _____ in the district
of _____ as my / our Proxy to vote for me / us on my / our behalf at the
25th Annual General Meeting of the Company to be held on Wednesday, 29th September, 2010 and at
any adjournment thereof.

Please affix Rs.1.00 Revenue Stamp
--

Signed this _____ day of _____ 2010

Signature

NOTES :

1. The Proxy form must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the meeting.
 2. This form must be used in favour of the resolution, unless otherwise directed, the Proxy will vote at he / she thinks fit.
against
 3. Members who hold shares in the dematerialisation form are requested to quote their Depository Account Number for identification.
- * Strike out whichever is not applicable.

BOOK - POST

To

If undelivered, please return to :

SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit: Fiberweb (India) Limited,
Unit No. 1, Luthra Industrial Premises,
Safed Pool, Andheri-Kurla Road,
Andheri (E), MUMBAI - 400 072.