

26th Annual Report 2010-11

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. P. S. KRISHNAN – *Executive Director*
Mr. G. RAVINDRAN – *Executive Director*
Mr. BHAVESH P. SHETH
Mr. BHADRESH H. SHAH
Mr. J. B PATEL
Mr. JANAK R. PATEL
Mr. DILEEP V. NAIK
Mr. GOPALJI M. RANA
Mr. C. A. REGE

COMPANY SECRETARY

Ms. SUNITA AGARWAL

AUDITORS

P. M. TURAKHIA & ASSOCIATES
Chartered Accountants, Mumbai

SOLICITORS

LITTLE & CO., MUMBAI
DIVYAKANT MEHTA & ASSOCIATES, MUMBAI

REGISTERED OFFICE

Airport Road, Kadaiya,
Nani Daman,
Daman (U.T.) 396210.

BANKERS

DENA BANK, Industrial Finance Branch, Mumbai
BANK OF BARODA, Matunga, Mumbai
ICICI BANK, Dadar, Mumbai

WORKS

Plot No. 92/93B, 100' Costel Highway,
Nani Daman, Daman, (U.T.) 396210.

STOCK EXCHANGE LISTING

Mumbai and Ahemdabad

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 26th Annual General Meeting of the Shareholders of the Company will be held on Friday, the 30th day September, 2011, at 10.00 a.m. at the Registered office of the company at Air Port Road, Kadaiya, Nani Daman, Daman (U.T.) 396 210 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 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. Janak R. Patel who retires from office by rotation, but eligible, offers himself for re-election.
3. To appoint a Director in place of Mr. C.A.Rege, 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.

By order of the Board

For FIBERWEB (INDIA) LIMITED

Sunita Agarwal

Company Secretary

Place: Daman

Date: 28th July, 2011

Registered Office:

Air Port Road,
Kadaiya, Nani Daman
Daman (U.T.) 396 210.

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NOTES:

1. 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.
2. 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.
3. 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.
4. 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.
5. The Share Transfer Books and the Register of Members of the Company will remain closed from 23rd September 2011 to 30th September 2011 (both days inclusive).
6. 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.
7. 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.
8. 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.
9. The Equity Shares of the Company are listed at the following stock exchanges:

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- (1) The Ahmedabad Stock Exchange Ltd., Ahmedabad, Kamdhenu Complex, Opp. Sahajanand College, Panjara Pole, Ambawadi, Ahmedabad - 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. J. R. Patel Age: 61 years, Qualification: Studied up to C.A. Nature of expertise: He has 22 years practical knowledge in Accounts, Auditing, Financial and Management Reporting. 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.J. R. Patel continues as Director of the the Company.

- (II) Name: Mr. C. A. Rege Age: 47 years, Qualification: Engineering Management . Nature of expertise: Engineering & Plastics with the Management & business working experience as professional with leading industries in plastics at higher management level. Mainly expertise in global Marketing wit good knowledge of financial field. 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. C. A. Rege continues as Director of the Company.

By Order of the Board of Directors
For FIBERWEB (INDIA) LIMITED

Sunita Agarwal
Company Secretary

Place: Daman
Date: 28th July, 2011

Registered Office:
Air Port Road,
Kadaiya, Nani Daman,
Daman (U.T.) 396 210,

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DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 26th Annual Report and Audited Accounts of the Company for the 12 months period ended 31st March 2011,(01.04.2010 to 31.03.2011). The summarized financial results are given below :

01. SUMMARISED FINANCIAL RESULTS:

	(Rs. In Lakhs)	
	2010-11	2009-10
Sales	4682.48	3129.13
Gross Profit / (Loss) before depreciation	203.77	216.57
Less: Depreciation	135.05	176.43
Profit from regular Activities	68.72	40.14
Extra ordinary items	(3952.34)	0
Profit/ (Loss) before and after taxation	(3883.62)	40.14
Balance carried from earlier year	(6347.46)	(6387.60)
Profit available for appropriation	0	0
Balance carried forward to next year	(10231.08)	(6347.46)

02. OPERATIONS:

During the 12 months period, April 2010 to March 2011 under review, your Company recorded a turnover of Rs.46.82 crores compared to Rs.31.29 crores during the previous period of 12 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 profit of Rs.68.72 lacs as against profit of Rs.40.14 lacs last year. However considering extraordinary items the loss for the period amounted to Rs.38.84 crores. 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). The Company is hopeful that Draft Rehabilitation Scheme will be approved by the BIFR soon, which when implemented will result in profitable revival of the Company.

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.3000.57 lacs during the year, and incurred expenditure of Rs.3032.27 lacs in foreign exchange.

**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. J. R. Patel and Mr. C. A. Rege retire by rotation and being eligible offer themselves for reappointment. Your Directors recommend that re-election of Mr. J. R. Patel and Mr. C.A.Rege will be in the interest of the Company.

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, 2011, 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, 2011 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, 2011, about 81.24 % share holding representing 8931010 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, 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)

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the Cash Flow Statement for the year ended 31.03.2011 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 for economical and efficient working was obtained and the Registered office of the Company was shifted from Vapi to Daman vide Order

dated 6th April 2011 of Registrar of Companies Goa, Daman and Diu.

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: 28th July, 2011

Registered Office:

Air Port Road, Kadaiya,

Nani Daman, Daman (U.T.) 396 210

MANAGEMENT'S 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 2010-11 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 its effect in our activities.

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

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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: 28th July, 2011

Registered Office:

Air Port Road, Kadaiya,
Nani Daman, Daman (U.T.) 396 210.

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
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 (N.R.I.)	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, 2011. these were held on: -

- | | | |
|-----------------------|-----------------------|-----------------------|
| 1. 30th April, 2010 | 2. 30th July, 2010 | 3. 30th October, 2010 |
| 4. 10th December 2010 | 5. 31st January, 2011 | |

(ii) The attendance record of each of the Directors at the Board Meetings during the year ended 31st March, 2011 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	No
Mr. G.M. Rana (N.R.I.)	Nil	No
Mr. J.B Patel (N.R.I.)	4	No
Mr. P.S. Krishnan	5	Yes
Mr. G. Ravindran	5	Yes
Mr. Janak R.Patel	5	Yes
Mr. Dileep V. Naik	Nil	No
Mr. C.A. Rege	5	Yes
Mr. Bhavesh P.Sheth	1	No

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, 2010, 20th July, 2010, 20th October, 2010 and 20th January, 2011 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	4
Mr. J.B. Patel	Member	3
Mr. C.A.Rege	Membe	4

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

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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 20-01-2011 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, 2011(from 01-04-2010 to 31-3-2011) is as follows:

Name	Position held During the year Remuneration	Salary & Allowances	Perquisites	Total
Mr. P.V. Sheth	Chairman & Managing Director	Rs. 1369900	Rs. 732000	Rs. 2101900
Mr. P.S. Krishnan	Whole-time Executive Director	Rs. 1024940	0	Rs. 1024940
Mr. G. Ravindran	Whole-time Executive Director	Rs. 826700	Rs. 60398	Rs. 887098

No remuneration was paid to non-executive directors other than the sitting fees aggregating to Rs. 20000/- 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 Company Secretary, Ms. Sunita Agarwal has been designated as the Compliance Officer. During the year ended 31st March, 2011,

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No investors complaints were received and as of 31st March, 2011 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 17 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
23rd	Monday	30-06-2008	10.00 a.m.	Fortune Hotel Galaxy, Vapi
24th	Wednesday	30-09-2009	10.00 a.m.	Fortune Hotel Galaxy, Vapi.
25th	Wednesday	29-09-2010	10.00 a.m.	Fortune Hotel Galaxy - Vapi

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

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.

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SHAREHOLDERS INFORMATION

Date, time and venue of 26th AGM	:	Friday 30th September,2011 at 10a.m. At M/s.Fiberweb (India) Ltd. Air Port Road, Kadaiya, Nani Daman, Daman (U.T.) 396 210.
Accounting Year End 2011	:	31st March, 2011
Dates of Book Closure	:	23-09-2011 to 30-09-2011 (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	:	Air Port Road, Kadaiya, Nani Daman, Daman (U.T.) 396 210. Tel No. 0260- 2221458 Fax No. 0260-2220758
Company's E-Mail ID	:	fiberweb@vsnl.net
Registrar & Share Transfer Agents	:	Sharex Dynamic (India) Pvt. Ltd., Unit No. 1, Luthra Industrial Premises, 1st 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. Sunita Agarwal.

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Stock Market Data:

High and Low prices & Trading Volumes at BSE

MONTH		High (Rs.)	Low (Rs.)
April	2010	8.49	6.57
May	2010	12.99	6.00
June	2010	17.37	13.21
July	2010	15.34	12.14.
August	2010	14.85	11.11
Sept.	2010	14.25	11.44
October	2010	13.43	11.06
Nov.	2010	16.20	10.50
December	2010	12.75	7.20
January	2011	11.72	7.96
February	2011	9.90	7.31
March	2011	10.04	6.85

Source : www.bseindia.com

Distribution of Shareholding as on 31st March, 2011 :

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	46.075	5065049
(2) Foreign	0	0.00	0
Total shareholding of Promoter & Promoter Group	18	46.08	5065049
(B) Public Shareholding			
(1) Institutions	20	5.33	586191
(2) Non - Institutions	8234	48.59	5341853
Total Public Shareholding	8254	53.92	5928044
(C) Shares held by custodians		0.00	0
Total (A)+(B)+(C)	8272	100.00	10993093

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Shareholding Pattern by size as on 31st March, 2011

No. of Equity Shares	Shareholders		No. of Shares	
	Number	% of holders	Number	% of shares
1 - 100	2824	34.14	206942	1.88
101 - 200	1840	22.24	311791	2.84
201 - 500	2322	28.07	778583	7.07
501 - 1000	735	8.89	553777	5.04
1001 - 5000	439	5.31	933939	8.50
5001 - 10000	50	0.60	366096	3.33
10001 - 100000	53	0.64	1850798	16.84
100001 - and above	9	0.11	5991167	54.50
Total	8272	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, 2011, about 81.24% share holding representing 8931010 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.

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, 2011 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 & Associates,
Chartered Accountants

M.D. Turakhia
Partner

Place : Daman
Date : 28th July, 2011

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 2011, 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, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 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'2011;
- 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 & ASSOCIATES**
Chartered Accountants

M.D. TURAKHIA
Partner

Place: DAMAN
Date: 28.07.2011

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'2011.

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.

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- (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.
 - (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.

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- 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.
(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'2011, 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. 24,025,642/- in the current financial year and a cash profit of Rs. 21,657,698/- 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.

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- 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.	Canara Bank – Lease Rentals	1,73,07,490	-	13 years

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.

- 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

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- 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 & ASSOCIATES
CHARTERED ACCOUNTANTS

(M. D. TURAKHIA)
PARTNER

PLACE: DAMAN

DATE: 28.07.2011

Fiberweb (India) Limited

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule No.	31.03.2011 Rupees	31.03.2010 Rupees
SOURCES OF FUNDS :			
Shareholder's Funds			
Share Capital	1	160,580,930	109,930,930
Reserves & Surplus	2	157,550,926	157,550,926
		318,131,856	267,481,856
Loan Funds :			
Secured Loans	3	1,138,776,000	88,864,628
Unsecured Loans	4	92,815,075	850,920,609
		1,231,591,075	939,785,237
		1,549,722,931	1,207,267,093
APPLICATION OF FUNDS :			
Fixed Assets :			
Gross Block		459,217,451	453,158,868
Less: Depreciation		31,148,658	17,643,660
Revaluation A/c	5	0	0
Net Block		428,068,793	435,515,208
Investments :			
	6	10,700	10,700
Current Assets Loans & Advances :			
Inventories	7	80,961,492	67,489,409
Sundry Debtors	8	9,788,408	29,868,501
Cash & Bank Balances	9	14,475,922	51,247,735
Loans and Advances	10	8,422,473	8,905,660
		113,648,295	157,511,305
Less: Current Liabilities & Provisions Liabilities			
	11	15,112,945	23,287,737
		15,112,945	23,287,737
Net Current Assets (A – B)		98,535,350	134,223,568
Miscellaneous Expenditure to the extent not w / off or adjusted	12	0	2,771,784
Profit & Loss Account		1,023,108,088	634,745,833
		1,549,722,931	1,207,267,093
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 & ASSOCIATES CHARTERED ACCOUNTANTS		On behalf of Board of Directors	
M. D. TURAKHIA (PARTNER)		PRAVIN V. SHETH Chairman & Managing Director	
PLACE : DAMAN		P. S. KRISHNAN } Exec. Directors	
DATED : 28.07.2011		G. RAVINDRAN }	
		SUNITA AGARWAL Company Secretary	

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PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule No.	31.03.2011 Rupees	31.03.2010 Rupees
INCOME			
Sales	13	468,247,821	312,913,018
Miscellaneous Income	14	177,324	171,312
Increase / (Decrease) in Stock	15	(6,436,091)	8,892,751
TOTAL		<u>461,989,054</u>	<u>321,977,081</u>
EXPENDITURE			
Consumption of Raw Materials	13a	303,849,308	206,433,638
Excise Duty		18,637,128	11,149,491
Bad Debts. Written Off		1,646,448	0
Exchange Difference		(1,489,327)	159,353
Employee's Reumneration & Benefits	16	20,519,541	18,707,744
Interest	17	4,539,500	125
Selling Expenses	18	43,440,703	17,832,687
Other Expenses	19	46,977,232	45,215,625
Miscellaneous Expenditure Written off	20	3,491,555	820,720
TOTAL		<u>441,612,088</u>	<u>300,319,383</u>
PROFIT			
Profit / (Loss) before Depreciation		20,376,966	21,657,698
Depreciation		(13,504,997)	(17,643,660)
Net Profit / (Loss) before Tax		6,871,969	4,014,038
Prior Period Items		12,136	0
Extra-Ordinary Items	2A	395,222,088	0
Profit/(Loss)		(388,362,255)	4,104,038
Balance carried from earlier Year		(634,745,833)	(638,759,871)
		<u>(1,023,108,088)</u>	<u>(634,745,833)</u>
Balance carried to Balance Sheet			
Basic & Diluted Earning Per Share (Rs.)			
Significant Accounting Policies & Notes Forming Part of the Accounts			
AS PER OUR REPORT OF EVEN DATE		For FIBERWEB (INDIA) LIMITED	
For P. M. TURAKHIA & ASSOCIATES CHARTERED ACCOUNTANTS		On behalf of Board of Directors	
M. D. TURAKHIA (PARTNER)		PRAVIN V. SHETH <i>Chairman & Managing Director</i>	
		P. S. KRISHNAN } G. RAVINDRAN } <i>Exec. Directors</i>	
PLACE : DAMAN		SUNITA AGARWAL <i>Company Secretary</i>	
DATED : 28.07.2011			

Fiberweb (India) Limited

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	31.03.2011 Rupees	31.03.2010 Rupees
SCHEDULE 1		
SHARE CAPITAL		
Authorised :		
15000000 (15000000) Equity Shares of Rs. 10/- each	150,000,000	150,000,000
5000000 (NIL) Preference Shares of Rs. 10/- each	50,000,000	50,000,000
TOTAL	<u>200,000,000</u>	<u>200,000,000</u>
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
Share Application Money	0	0
TOTAL	<u>50,650,000</u>	<u>0</u>
	<u>160,580,930</u>	<u>109,930,930</u>
SCHEDULE 2		
RESERVES & SURPLUS		
Share Premium Account	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	<u>157,550,926</u>	<u>157,550,926</u>
SCHEDULE 2A		
Exceptional Items Debit	1,036,182,880	0
Exceptional Items Credit	(640,960,792)	0
TOTAL	<u>395,222,088</u>	<u>0</u>

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SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	<u>31.03.2011</u>	<u>31.03.2010</u>
	<u>Rupees</u>	<u>Rupees</u>
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	0	20,000,000
Interest Payable on above		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	0	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	0	30,000,000
Interest Payable on above		9,635,865
Interest Payable as claimed in plaint before DRT (up to 31.12.1999)	0	12,489,203
As per Deed of Assignment Between UTI & Gayatri Pipes & Fittings Pvt. Ltd.	1,138,776,000	
TOTAL	<u>1,138,776,000</u>	<u>88,864,628</u>
SCHEDULE 4		
UNSECURED LOANS		
Long Term Foreign Currency Loan from BHF Bank, Frankfurt	0	348,956,639
Interest Payable on above	0	386,324,163
TOTAL	<u>0</u>	<u>735,280,802</u>
Other Short Term Loans & Advances	92,815,075	115,639,807
TOTAL	<u>92,815,075</u>	<u>850,920,609</u>

Fiberweb (India) Limited

SCHEDULE 5 FIXED ASSETS

Sr. No.	Name of the Assets	Gross Block				Depreciation				Net Block As On	
		As on 1.4.10	Additions During the Year	Sales During the Year	As on 31.3.11	Upto Date	Current Year 2010-11	Upto 31.03.11	Upto 31.03.11	8	9
1.	LEASEHOLD 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	2,097,888	2,097,888	4,195,776	58,615,243	60,713,131	
4.	FACTORY BUILDING-VAPI	2,205,983	0	0	2,205,983	73,680	(73,680)	0	2,205,983	2,132,303	
5.	OFFICE PREMISES (VAPI)	19,599	0	0	19,599	331	319	650	18,949	19,268	
6.	PLANT & MACHINERY-DAMAN	236,409,905	3,386,086	0	239,795,991	15,187,455	11,266,050	26,453,505	213,342,486	221,222,453	
7.	PLANT & MACHINERY-VAPI	83,342,312	0	0	83,342,312	0	0	0	83,342,312	83,342,312	
8.	ELECTRIC INSTALLATION	917,280	1,353,472	0	2,270,752	43,571	71,217	114,788	2,155,964	873,709	
9.	OFFICE & LAB. EQUIPMENT	105,619	355,963	0	461,582	5,017	16,834	21,851	439,731	100,602	
10.	FURNITURE & FIXTURE	271,195	176,647	0	447,842	17,167	21,233	38,400	409,442	254,028	
11.	VEHICLES	1,868,338	617,784	0	2,486,122	180,030	43,008	223,038	2,263,084	1,688,308	
12.	COMPUTER	285,535	114,660	0	400,195	32,707	56,312	89,019	311,176	252,828	
13.	OTHER ELECTRICAL ITEMS	122,428	53,971	0	176,399	5,815	5,815	11,630	164,769	116,613	
TOTAL		453,158,868	6,058,583	0	459,217,451	17,643,661	13,504,997	31,148,658	428,068,793	435,515,210	
		453,025,205	208,663	75,000	453,158,868	0	17,643,660	17,643,660	435,515,208		

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SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	31.03.2011 Rupees	31.03.2010 Rupees
SCHEDULE 6		
INVESTMENTS		
UNQUOTED SHARES :		
Shares in Goa Co-Operative Bank Ltd.	10,700	10,700
TOTAL	<u>10,700</u>	<u>10,700</u>
SCHEDULE 7		
INVENTORIES		
(As valued and certified by the Management)		
(i) Stores & Spare Parts	17,490,788	16,759,241
(ii) Stock in Trade		
(a) Raw Materials	32,516,252	13,204,329
(b) Finished Goods	30,586,025	37,022,116
(c) Semi-Finished Goods	0	0
(d) Packing Material	368,427	503,723
TOTAL	<u>80,961,492</u>	<u>67,489,409</u>
SCHEDULE 8		
SUNDRY DEBTORS		
(Unsecured Considered Good)		
(a) Debts outstanding for a period not exceeding 6 months	9,788,408	18,704,390
(b) Other Debts	0	11,164,111
TOTAL	<u>9,788,408</u>	<u>29,868,501</u>

Fiberweb (India) Limited

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	31.03.2011 Rupees	31.03.2010 Rupees
SCHEDULE 9		
CASH AND BANK BALANCES		
a) Cash in Hand	635,033	2,308,183
b) Bank Balances		
Balance with Scheduled Banks		
(i) In Current Account	12,272,052	47,476,134
(ii) In Fixed Deposit (Margin Money)	1,568,837	1,463,418
TOTAL	<u>14,475,922</u>	<u>51,247,735</u>
SCHEDULE 10		
LOANS AND ADVANCES		
(Unsecured – Considered Goods)		
Advances recoverable in cash or kind for value to be received	6,281,833	6,775,347
Sundry Deposits	2,140,640	2,130,313
TOTAL	<u>8,422,473</u>	<u>8,905,660</u>
SCHEDULE 11		
CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors		
– For Goods	2,756,719	16,062,131
– For Expenses	12,356,226	7,225,606
TOTAL	<u>15,112,945</u>	<u>23,287,737</u>
SCHEDULE 12		
MISCELLANEOUS EXPENDITURE		
(TO THE EXTENT NOT WRITTEN OFF)		
Exp. on Index 2008 Trade Fair	0	1,730,071
Exp. on Index 2005 Trade Fair	0	889,190
Exp. on Index 2002 Trade Fair	0	152,523
TOTAL	<u>0</u>	<u>2,771,784</u>
SCHEDULE 13		
SALES		
Export Sales	302,703,802	197,440,044
Domestic Sales	165,544,019	115,472,974
TOTAL	<u>468,247,821</u>	<u>312,913,018</u>

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SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	31.03.2011 Rupees	31.03.2010 Rupees
SCHEDULE 13a		
CONSUMPTION OF RAW MATERIALS		
Opening Stock :		
Raw Materials	13,204,329	12,974,260
Purchases	323,161,231	206,663,707
	<u>336,365,560</u>	<u>219,637,967</u>
Closing Stock :	32,516,252	13,204,329
TOTAL	<u>303,849,308</u>	<u>206,433,638</u>
SCHEDULE 14		
OTHER INCOME		
Interest from I.T. Refund	63,874	171,312
Interest from Bank	113,450	
TOTAL	<u>177,324</u>	<u>171,312</u>
SCHEDULE 15		
INCREASE / (DECREASE) IN STOCK		
Opening Stock :		
Finished Goods	37,022,116	28,123,065
Semi-Finished Goods	0	6,300
TOTAL	<u>37,022,116</u>	<u>28,129,365</u>
Closing Stock :		
Finished Goods	30,586,025	37,022,116
Semi-Finished Goods	0	0
TOTAL	<u>30,586,025</u>	<u>37,022,116</u>
Increase (+) / (Decrease) (-) in Stock	<u>(6,436,091)</u>	<u>8,892,751</u>
SCHEDULE 16		
EMPLOYEE'S REMUNERATION & BENEFITS		
Salary and Wages	14,871,401	12,388,412
Provident Fund & Other Funds	1,115,050	1,310,908
Others	519,152	242,421
TOTAL (A)	<u>16,505,603</u>	<u>13,941,741</u>
SCHEDULE 16A		
MANAGERIAL REMUNERATION & BENEFITS		
Salary and Bonus	2,877,500	3,465,286
Provident Fund & Other Fund	344,040	414,154
Others	792,398	886,563
TOTAL (B)	<u>4,013,938</u>	<u>4,766,003</u>
TOTAL (A+B)	<u>20,519,541</u>	<u>18,707,744</u>

Fiberweb (India) Limited

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	31.03.2011 Rupees	31.03.2010 Rupees
SCHEDULE 17		
INTEREST		
On Loan	4,539,500	0
To Bank	0	0
To Others	0	125
TOTAL	<u>4,539,500</u>	<u>125</u>
SCHEDULE 18		
SELLING EXPENSES		
Commission on Sales	9,923,269	1,934,753
Freight, Clearing & Forwarding	30,502,337	12,923,271
Sales Promotion Expenses	556,417	338,547
Selling Expenses (Export)	2,392,484	2,387,500
Insurance charge export	66,196	248,616
TOTAL	<u>43,440,703</u>	<u>17,832,687</u>
SCHEDULE 19		
OTHER EXPENSES		
Bank Charges	1,775,926	1,508,891
Consumption of Packing Material	9,114,939	10,982,517
Consumption of Stores	2,810,109	3,053,615
Conveyance & Travelling	2,801,064	3,431,352
Directors sitting Fees	20,000	17,000
Festival Celebration Exps.	36,000	54,551
Insurance Charges	502,777	225,087
Infrastructure Developments	0	250,000
Legal & Professional Charges	1,180,955	1,337,001
Miscellaneous Expenses	3,727,694	3,492,848
Motor Car Expenses	1,078,356	1,176,611
Payment to Auditors		
– Audit Fees	120,000	120,000
– Tax Audit Fees	60,000	60,000
Power & Fuel	17,585,502	15,577,641
Printing & Stationery	345,452	293,806
Rates & Taxes	434,233	442,622
Repairs to Others	201,609	285,450
Repairs to Plant & Machinery & Building	2,787,086	1,212,542
Security Charges	751,478	722,973
Telephone Charges	717,769	586,869
Rent	373,244	288,164
Gift Expenses	482,240	42,800
Canteen Expenses	70,799	53,285
TOTAL	<u>46,977,232</u>	<u>45,215,625</u>
SCHEDULE 20		
MISCELLANEOUS EXPENDITURE NOT W/OFF		
Exp. on IndexII Trade Fair	719,771	0
Exp. on Index 2008 Trade Fair	1,730,071	390,993
Exp. on Index 2005 Trade Fair	889,190	286,175
Exp. on Index 2002 Trade Fair	152,523	143,552
TOTAL	<u>3,491,555</u>	<u>820,720</u>

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SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE - 21

NOTES FORMING PARTS OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011.

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 :

The balance amount of Expenses on Index 2002 Trade Fair, Expenses on Index 2005 Trade Fair, Expenses on Index 2008 Trade Fair and Index II have been amortised in the current financial year.

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 :

	31.03.2011 Rupees	31.03.2010 Rupees
(i) Payment to Directors as under:		
Salary & Bonus	28,77,500	34,65,286
Contribution to Provident Fund	3,44,040	4,14,154
Other Perquisites	7,92,398	8,86,563
TOTAL	40,13,938	47,66,003
(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 :

		31.03.2011 (in M.Ts.)	31.03.2010 (in M.Ts.)
(i) Licensed Capacity			
Blow Moulded & Roto Moulded articles	: VAPI COB Licence	226	226
	: SIA Reg.	1336	1336
	: DAMAN SIA Reg.	3000	3000
100% (E.O.U.) Garbage & carrier bags	: DAMAN	2000	2000
100% (E.O.U.) Spunbond non-woven fabric	: DAMAN	3000	3000
Multi-layer Blown Films	: DAMAN	4000	4000
(ii) Installed Capacity		31.03.2011 (in M.Ts.)	31.03.2010 (in M.Ts.)
Blow Moulded & Roto Moulded articles	: VAPI	2000	2000
	: DAMAN	2000	2000
100% (E.O.U.) Garbage & carrier bags	: DAMAN	1500	1500
100% (E.O.U.) Spunbond non-woven fabric	: DAMAN	4000	4000
Multi-layer Blown Films	: DAMAN	4000	4000

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(iii) **Production**

	31.03.2011	31.03.2010
	(in M.Ts.)	(in M.Ts.)
Blow Moulded & Roto Moulded articles :	NIL	NIL
Spunbond non-woven fabric :	4082.562	3185.883
Multi-layer Blown film garbage bags & others :	26.747	33.037

(iv) **Information in regard to Opening Stock, Closing Stock & Sales**

	31.03.2011		31.03.2010	
	Qty.	Rs.	Qty.	Rs.
	(in M.Ts.)	(in lacs)	(in M.Ts.)	(in lacs)
Opening Stock				
Spunbond non-woven Fabrics	515.569	353.82	425.684	265.83
Multilayer Blown films & others	41.009	15.40	41.009	15.40
Others	1.00	1.00		
TOTAL		370.22		281.23
Closing Stock				
Spunbond non-woven Fabrics	460.135	275.99	515.569	353.82
Multilayer Blown films	41.009	15.40	41.009	15.40
Others	11.597	14.47	1.00	1.00
TOTAL		305.86		370.22
Sales				
Spunbond non-woven Fabrics	4137.995	4279.56	3095.998	3104.81
Multilayer Blown films & others	16.15	26.47	32.037	24.32
Others		376.45		000.00
TOTAL		4682.48		3129.13

Fiberweb (India) Limited

(v) Consumption of Raw Materials				
	31.03.2011		31.03.2010	
	M/T	Rs.	M/T	Rs.
Raw Materials	4231.463	3038.49	3332.690	2064.34
Semi-processed materials				
(vi) CIF value of Imports				
	31.03.2011		31.03.2010	
	(Rs. in Lacs)		(Rs. in Lacs)	
Raw Materials		2741.42		1935.66
Raw Materials - Others		286.78		
Stores & Spares		17.94		20.62
TOTAL		3046.14		1956.28
(vii) Value of Imported & indigenous Raw materials & chemicals Consumed & percentages of the Total consumption				
	31.03.2011		31.03.2010	
	%	Rs. in Lacs	%	Rs. in Lacs
Imported	93.71	3028.20	94.00	1935.66
Indigenous	6.29	203.41	6.00	130.98
TOTAL	100.00	3231.61	100.00	2066.64
(viii) Earning in foreign exchange				
Export of goods				
FOB Basis		3000.57		1908.66
(ix) Expenditure in foreign currency				
(a) Traveling		4.07		1.48
(b) Employees Training Expenses				
TOTAL		4.07		1.48
(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, 2011		
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	:	1549722		
Total Assets	:	1549722		

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Sources of funds

Paid up Capital	:	160580
Reserves & Surplus	:	157551
Secured Loans	:	1138776
Unsecured Loans	:	92815
TOTAL		1549722

Application of funds

Net Fixed Assets	:	428068
Investments	:	11
Net Current Assets	:	98535
Profit & Loss Account	:	1023108
TOTAL		1549722

IV. Performance of the company

Total Income	:	461989
Total Expenditure	:	850351
Net Profit/Loss	:	(388362)
Earning per Share	:	
Dividend Rate (%)	:	NIL

V. Generic Name of Principal

Products/Services of the Company

(As per monetary terms)

<i>Item Code No. (I.T.C. Code)</i>	<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". Rehabilitation Scheme (DRS) is under final stage of acceptance as all other creditors are settled except Canara Bank Lease rent dues.
2. The company has availed non funding facilities from its bankers. In this connection Rs.15,68,837/- (previous year Rs. 14,63,418/-) are kept with banks as lien/margin money **against guarantees** opened by the bankers and guarantees issued by them. Contingent liability for bills discounted with Dena Bank is NIL.

Fiberweb (India) Limited

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.**
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. 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.
9. 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 & ASSOCIATES**
CHARTERED ACCOUNTANTS

M. D. TURAKHIA
(PARTNER)

PLACE : DAMAN
DATED : 28.07.2011

For **FIBERWEB (INDIA) LIMITED**

On behalf of Board of Directors

PRAVIN V. SHETH *Chairman & Managing Director*

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

SUNITA AGARWAL *Company Secretary*

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	31.03.2011 Rs.	31.03.2010 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) Before Tax and Extrordinary Items	6871969	4014038
Adjustments for :		
(i) Depreciation	13504997	17643660
(ii) Misc Expenses written off	2771785	820720
(iii) Interest Income	(177324)	171312
(iv) Extra Ordinary Items	0	0
Operating Profit/(Loss) Before Working Capital Changes	22971427	22307106
Adjustment for :		
(i) Trade and Other receivables	20079900	(11000664)
(ii) Inventories	(13472083)	(3644269)
(iii) Trade and Other Payables	(8174792)	11613497
Cash Generated from Operations	21404452	19275670
Interest Paid	4539500	125
Cash flow Before Extraordinary Items	25943952	19275795
Extraordinary Items Trade Fair 2008	0	0
Net Cash From Operating Activities	25943952	19275795
B. CASH FLOW FROM INVESTING ACTIVITIES :		
(i) Purchase of Fixed Assets	(6059276)	(133663)
(ii) Purchase of Investments	0	0
(iii) Sale of Fixed Assets	0	0
(iv) Decrease/(Increase) in Advances	483187	(920563)
(v) Interest Received	177324	171312
Net Cash used in Investing Activities	(5398765)	(882914)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
(i) Proceeds from Issue of Share Capital/Apl. Money	50650000	0
(ii) Proceeds from Long Term Borrowings (Net)	(103427500)	(1200000)
(iii) Repayment of Short Term Borrowings (Net)	0	0
(iv) Right Issue expenses	0	0
(v) Interest paid	(4539500)	(125)
(vi) Dividend paid	0	0
(vii) Reserve for doubtful debts.	0	0
Net Cash used in Financing Activities	(57317000)	(1200125)

Fiberweb (India) Limited

	31.03.2011 Rs.	31.03.2010 Rs.
D. NET DECREASE / (INCREASE) IN CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents (Opening Balance)	51247735	34054979
Cash and Cash Equivalents (Closing Balance)	14475922	51247735
Decrease / (Increase) in Cash and Cash Equivalents	<u>(36771813)</u>	<u>(17192756)</u>
	0	0

AS PER OUR REPORT OF EVEN DATE

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

M. D. TURAKHIA
(PARTNER)

PLACE : DAMAN
DATED : 28.07.2011

For **FIBERWEB (INDIA) LIMITED**

On behalf of Board of Directors

PRAVIN V. SHETH *Chairman & Managing Director*

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

SUNITA AGARWAL *Company Secretary*

AUDITORS' REPORT

We have examined the above Cash Flow Statement of FIBERWEB (INDIA) LIMITED for the period ended 31st March, 2011. 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 28th July, 2011 to the members of the Company and reallocation required for the purpose are as made by the Company.

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

M. D. TURAKHIA
(PARTNER)

Place : Daman
Date : 28th July, 2011



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

Registered Office:
Airport Road, Kadaiya, Nani Daman (U.T.) 396210

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

ATTENDANCE SLIP

I/We hereby record my/our presence at the 26th Annual General Meeting of the Company at Fiberweb (India) Limited, Airport Road, Kadaiya, Nani Daman, Daman (U.T.) 396210 at 10.00 a.m. on Friday, 30th September, 2011.

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:
Airport Road, Kadaiya, Nani Daman,
Daman (U.T.) 396210

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
26th Annual General Meeting of the Company to be held on Friday, 30th September, 2011 and at any
adjournment thereof.

Please affix Rs.1.00 Revenue Stamp
--

Signed this _____ day of _____ 2011

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 $\frac{\text{favour}}{\text{against}}$ of the resolution, unless otherwise directed, the Proxy will vote at he/she thinks fit.
 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.