



Fiberweb (India) Limited

Manufacturers of : Spunbond Nonwoven Fabrics

19th January 2017

The Dy. Manager (Corporate Relations Dept.),
The Bombay Stock Exchange Ltd.,
1st Floor, New Trading Ring, Rotunda Bldg.,
P. J. Towers, Dalal Street, Fort,
MUMBAI – 400 001.

Dear Sir,

Sub.: Outcome of Board Meeting held on 19th January, 2017

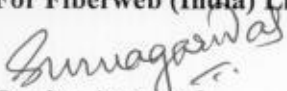
The Board of Directors of the company discussed the matter of raising funds and decided to call Extra Ordinary General Meeting as per attachment.

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith outcome of Board Meeting of the Company held on 19th January 2017, commenced at 10.10 a.m. and concluded at 2.10 p.m.

Kindly take note of the above and oblige.

Thanking you,

Yours faithfully,
For Fiberweb (India) Limited


Sunita Agarwal
Company Secretary

Product is manufactured in the plant, where the Management system is certified for ISO 9001:2008, 14001:2004, OHSAS 18001:2007

Mumbai : "KIRAN", Ground Floor, 128, Bhaudaji Road, Matunga, Mumbai-400 019.

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E-mail : fiberweb@vsnl.net, fiberweb@fiberwebindia.com

Website : fiberwebindia.com



ISO9001:2008,14001:2004,OHSAS18001:2007

CIN NO. L25209DD1985PLC004694



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FIBERWEB (INDIA) LIMITED

OUTCOME OF THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD ON 19TH JANUARY 2017

We are pleased to inform you that the Board of Directors of the Company at their Meeting held on 19th January 2017 approved inter alia the following :-

As a result of the sustained efforts over the last few years, the Management of the Company had built-up a formidable market for the products of the Company due to its innovation and research and development. As the market demand for the Company's products have been growing beyond the production capacity of the Company, in order to meet the growing demand it has become absolutely necessary to increase its production capacity substantially.

After detailed discussion the meeting finalized on an expansion programme of Spun Bond Nonwoven products. The meeting approved raising of funds for the expansion at Rs.100 crores. Rs.30 crores by issue of shares on preferential basis at a price as per SEBI regulations and loan of Rs.70 crores from the Banks, the negotiations are in an advance stage with the bankers, the Board has approved raising of the paid-up capital of the Company by issue of 18.00 lacs shares only as preference issue at a premium as per the SEBI guidelines with lock-in period of one year. The total paid-up capital will be

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Rs.14.40 crores after the preference issue. The expansion will result in the enhancement of the capacity from 5,000 MT to 15,000 MT per annum.

The proposed preferential issue will benefit the Company in the long run as the promoter and non-promoter are bringing the funds at a premium, which will benefit the Company as well as other shareholders of the Company. The proposed funds will give leverage to the Company to expand its manufacturing facilities, which can give better return on investment. It was also felt that the present capital is too small for the growth & investment activities, which Company intend to undertake in future. Based on the above discussions, the Board in order to raise resources to fund the expansion/Diversification plans of its present manufacturing facilities and in wholly owned subsidiaries; to meet working capital requirements and for general corporate purposes, thought it prudent to infuse fresh equity capital in the Company by issue and allotment of 1800000 (Eighteen Lacs only) Convertible Equity Warrants of face value of Rs.10/- (Rupees Ten Only) each at a Issue Price of Rs.180/- (including premium amount of Rs.170/-) per Convertible Equity Warrants aggregating to Rs. 30.00/- (Rupees Thirty Crores Only), or at such higher prices as may be determined in compliance with Chapter VII of the SEBI (ICDR) Regulations, 2009 on Preferential Basis to the Promoters/ Promoter Group of the Company and to the Strategic Investors, not forming part of the Promoter Group of the Company.

The additional capacity which will be created will meet the increased demand generated by the Company in the U.S.A., and the Company will be a Trail Blazer in the technical textile industry.

The Board of Directors of the Company also approved convening an Extra Ordinary General Meeting of the Members of the Company on 18th February 2017 to raise funds for expansion of the production capacity, and issue of 18 lacs shares as a Preference Issue at a premium as per SEBI guidelines with a lock-in period of one year.

The Company is a 100% Export Oriented Unit. The products of the Company come under the Technical and Industrial Textile Category. Being Pioneer in this field in India it has good advantage. The Company has benefitted from substantial increase in demand in developed and developing countries at an average growth of 10% per annum. The Company's products are exported to well known companies all over U.S.A., U.K., Middle East countries, South Africa, France, New Zealand and the products are well accepted in all overseas markets. Within the country also the Company supplies to well-known Multinational Companies.

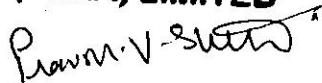
On implementation of the expansion of the production capacity, the turnover of the Company will be Rs.275 to Rs.300 crores per annum, with an estimated profit of 17 to 18%.

In recognition of the achievements of the Company in the export field, the Government of India has issued Export House Certificate to the Company.

The main raw material of the Company is PP Fibre Grade which the Company is permitted to import duty free. The availability of the PP in the international market is adequate. The Company also enjoys the technical advantage and support from the machinery manufacturer, Reifenhäuser, Germany. The Company has on its rolls, adequate technical and administrative staff to carry on the operations of the Company. The Company has been accredited with ISO 9001:2008, 14001:2004, OHSAS 18001:2007 certificates.

Government of India has taken lot of initiatives like 'Make in India', import substitution, export promotion and increased consumption for promoting the growth of technical textiles. Technical Textile has been identified as one of the four priority segment and 15% capital subsidy is being provided.

For FIBERWEB (INDIA) LIMITED



CHAIRMAN & MANAGING DIRECTOR