

FIBERWEB (INDIA) LIMITED

INDEPENDENT AUDITOR'S REPORT

To

The Members

FIBERWEB (INDIA) LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of FIBERWEB (INDIA) LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss, and the Cash Flow Statement for the year on that date, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act and other applicable authoritative pronouncements issued by the institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and **subject to Note nos. 26, 27, and 28**, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ('The Order') issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by sub section 3 of Section 143 of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of sub-section 2 of Section 164 of the Act.
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:-
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes (SBNs) as defined in the Notification S. O. 3407(E) dated the November 8, 2016 of the Ministry of Finance during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the company and as produced to us by the Management.

FOR A. V. Jobanputra & Co.
CHARTERED ACCOUNTANTS
Firm Registration No.: 104314W

A. V. Jobanputra
PROPRIETOR
(MEMBERSHIP NO: 016352)

Place:- Mumbai
Date:- 10/08/2017

FIBERWEB (INDIA) LIMITED

The Annexure A referred to in Para 1 – Report on Other Legal Regulatory Requirements of our Independent Auditor’s Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company;
- ii) In our opinion the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us, no material discrepancies were noticed on physical verification;
- iii) According to the information and explanations given to us, the company has not granted any secured or unsecured loans to Companies, Firms or other parties, covered in the register maintained under section 189 of the companies Act 2013;
- iv) The Company has not given loans, or made investments, or given guarantees and provided security in terms of provisions of section 185 and 186 of The Companies Act, 2013;
- v) The Company has not accepted deposits and hence the directive issued by the Reserve Bank of India and the provisions of the sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under are not required to be complied with by the Company;
- vi) We have been informed that the Company is not required to maintain cost record under sub-section (1) of section 148 of the Companies Act,2013.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee’s state insurance, income tax, sales tax, custom Duty, service tax, value added tax, cess and any other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities and no undisputed amounts payable were in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable
- (b) According to the information and explanations given to us, there are no disputed amounts of income tax, sales tax, custom duty, service tax or value added tax which have not been deposited with the concerned authorities;
- (c) During the year Central Excise Department has levied an anti dumping duty on the company of Rs. 1,37,77,776/- for the period August 2009 to March 2015 and also penalty of Rs 1,37,77,776/- and Interest thereon and of Rs 15,00,000/- on one of its Directors. The company has filed an appeal against the said order before CESTAT, Ahmedabad. The company has paid an amount of Rs. 10,33,333/- and Rs 1,12,500/- against the said demand, as deposit for filing the appeal.
- viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to a bank. The Company has not obtained any borrowing from any financial institutions, Government or by way of debentures;
- ix) On the basis of records examined by us and the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer during the year;

ANNUAL REPORT 2016-17

- x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- xi) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the Company has paid managerial remuneration as per Section 197 read with Schedule V to the Companies Act, 2013;
- xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly paragraph 3(xii) is not applicable;
- xiii) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details of the same have been disclosed in the financial statements as required by the applicable accounting standards;
- xiv) According to the information and explanations given to us, and based on our examination of the records of the Company, the monies raised during the year through private placement of 18,00,000 convertible equity warrants comprising face value of Rs.10/- each at a premium of Rs.171/- per share to be converted into 18,00,000 equity shares. Out of this, 7,00,000 equity warrants were converted into equity shares of Rs.10/- each, at a premium of Rs.171/- per share, are in compliance with Section 42 of the Companies Act, 2013 and said funds has been utilized for the purposes for which they were raised;
- xv) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly paragraph 3(15) of the order is not applicable;
- xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India, 1934.

FOR A. V. Jobanputra & Co.
CHARTERED ACCOUNTANTS
Firm Registration No.: 104314W

A. V. Jobanputra
PROPRIETOR
(MEMBERSHIP NO: 016352)

Place:- Mumbai

Date:- 10/08/2017

FIBERWEB (INDIA) LIMITED

The Annexure B referred to in Para 2(f) - Report on other Regulatory requirements of our Independent Auditor's Report to the Members of the Company on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the act") for the year ended 31st March, 2017

We have audited the internal financial controls over financial reporting of FIBERWEB (INDIA) LIMITED ("the company") as of 31st March, 2017 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial Reporting issued by the institute of Chartered Accountants of India." These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors. The accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit in accordance with the Guidance Note on Audit of internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles. And that receipts and expenditures of the company are being made only in accordance with authorities of management and directors of the company; and (3) provide

reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management overrides of controls, materials misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedure may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR A. V. Jobanputra & Co.
CHARTERED ACCOUNTANTS
Firm Registration No.: 104314W

A. V. Jobanputra
PROPRIETOR
(MEMBERSHIP NO: 016352)

Place:- Mumbai

Date:- 10/08/2017

FIBERWEB (INDIA) LIMITED

BALANCE SHEET AS AT 31 MARCH, 2017

Particulars		Note No.	As at 31 March, 2017	As at 31 March, 2016
A	EQUITY AND LIABILITIES	0		
1	Shareholders' funds			
	(a) Share capital	1	13,29,58,550	12,59,58,550
	(b) Reserves and surplus	2	75,82,22,882	(57,27,20,284)
	(c) Money received against Share Warrant	3	27,50,000	-
			89,39,31,432	(44,67,61,734)
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	4	-	1,03,38,51,728
			-	1,03,38,51,728
4	Current liabilities			
	(a) Short-term borrowings	5	-	11,11,700
	(b) Trade payables	6	1,74,83,823	2,42,04,883
	(c) Other current liabilities	7	8,59,872	10,21,496
	(d) Short-term provisions	8	46,21,293	44,24,876
			2,29,64,988	3,07,62,955
	TOTAL		91,68,96,420	61,78,52,949
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets - Tangible assets	9	38,81,98,841	40,87,90,701
	(b) Non Current investments	10	11,26,800	10,700
	(c) Long-term loans and advances	11	6,93,46,912	1,59,26,490
			45,86,72,553	42,47,27,891
2	Current assets			
	(a) Inventories	12	10,46,42,988	7,50,25,122
	(b) Trade receivables	13	13,56,85,484	5,25,19,962
	(c) Cash and cash equivalents	14	21,51,47,839	6,41,65,359
	(d) Short-term loans and advances	15	27,47,556	14,14,615
			45,82,23,867	19,31,25,058
	TOTAL		91,68,96,420	61,78,52,949

The accompanying notes 1 to 28 are an integral part of the financial statements.

As per our report of even date

For A.V.Jobanputra & Co.

Chartered Accountants

Firm Registration No: 104314W

A.V.Jobanputra

Proprietor

Membership No. 016352

Place : Mumbai

Date : 10th August 2017

For and on behalf of the Board of Directors

Pravin V. Sheth

Chairman & Managing Director

Nital Gandhi

Company Secretary

Place : Mumbai

Date : 10th August 2017

G. Ravindran

Executive Director

P.S. Krishnan

Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2017

Particulars		Note No.	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
A	INCOME			
1	Revenue from operations (gross)	16	1,05,70,12,327	65,00,68,221
	Less: Excise duty		1,39,76,787	3,26,17,150
	Revenue from operations (net)		1,04,30,35,539	61,74,51,071
2	Other income	17	5,52,675	20,41,768
3	Total Income (1+2)		1,04,35,88,214	61,94,92,839
B	EXPENSES			
	Cost of materials consumed	18	70,29,34,981	34,39,84,311
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	(1,39,23,141)	39,31,275
	Employee benefits expenses	20	4,33,94,856	4,17,16,742
	Finance costs	21	2,10,999	4,20,046
	Depreciation and amortisation expenses	9	2,69,41,264	3,21,46,421
	Other expenses	22	14,15,50,872	15,15,81,484
4	Total expenses		90,11,09,831	57,37,80,279
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		14,24,78,383	4,57,12,560
6	Exceptional items	23	-	2,53,28,575
7	Profit / (Loss) before extraordinary items and tax (5 + 6)		14,24,78,383	7,10,41,135
8	Extraordinary items	24	-	-
9	Profit / (Loss) before tax (7 + 8)		14,24,78,383	7,10,41,135
10	Tax expense:			
	Current tax expense		-	-
	Deferred tax		-	-
11	Profit / (Loss) after tax for the Year (9 - 10)		14,24,78,383	7,10,41,135
12	Earning per equity share of nominal value of ₹10/- each	25		
	Basic and Diluted (Before extraordinary item)		10.71	6.32
	Basic and Diluted (After extraordinary item)		10.71	6.32

The accompanying notes 1 to 28 are an integral part of the financial statements.

As per our report of even date

For A.V.Jobanputra & Co.

Chartered Accountants

Firm Registration No: 104314W

A.V.Jobanputra

Proprietor

Membership No. 016352

Place : Mumbai

Date : 10th August 2017

For and on behalf of the Board of Directors

Pravin V. Sheth

Chairman & Managing Director

Nital Gandhi

Company Secretary

Place : Mumbai

Date : 10th August 2017

G. Ravindran

Executive Director

P.S. Krishnan

Chief Financial Officer

FIBERWEB (INDIA) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars		For the year ended 31st March 2017 (RS)		For the year ended 31st March 2016 (RS)	
		₹	₹	₹	₹
I)	CASH FLOW FROM OPERATING ACTIVITIES				
a)	Net profit after Tax		14,24,78,383		7,10,41,135
b)	Add: Non cash items / items considered separately				
	Depreciation and Amortisation	2,69,41,264		3,21,46,421	
	Finance Cost	2,10,999		4,20,046	
	Net loss on foreign currency transactions and translation (other than considered as finance cost)	21,35,509			
	Current Tax	-	2,92,87,772	-	3,25,66,467
			17,17,66,156		10,36,07,602
c)	Less: Items considered separately				
	Net gain on foreign currency transactions and translation (other than considered as finance cost)			18,64,212	
	Interest Income	4,39,056		1,42,956	
	Profit on Sale of Fixed Assets	68,497	(5,07,553)	2,53,28,575	(2,73,35,743)
d)	Operating profits before working capital changes (a+b-c)		17,12,58,603		7,62,71,859
	Changes in Working Capital				
e)	Add: Decrease in Current Assets & Increase in Current Liabilities				
	Short term Liabilities	-		3,11,700	
	Short Term Loans & Advances	-		23,21,737	
	Short term Provision	1,96,417		14,83,659	
	Inventories (Last Year)	-	-	89,41,595	
	Short/Excess provision for Income Tax	(11,945)	1,84,472	-	1,30,58,691
f)	Less: Increase in Current Assets & Decrease in Current Liabilities				
	Inventories	2,96,17,866			
	Trade receivables	8,31,65,521		2,08,00,391	
	Short Term Loans & Advances	13,32,941			
	Short term Borrowings	11,11,700			
	Trade Payables	67,21,060		91,08,135	
	Other current liabilities	1,61,624	(12,21,10,712)	6,82,789	(3,05,91,315)
	Cash generated from operations (d+e-f)				
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		4,93,32,363		5,87,39,235
II)	CASH FLOW FROM INVESTING ACTIVITIES				
	Interest Income	4,39,056		1,42,956	
	Decrease in Long term Loans and Advances	-		32,27,802	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars		For the year ended 31st March 2017 (RS)		For the year ended 31st March 2016 (RS)	
		₹	₹	₹	₹
	Sale of Fixed Aseets	2,88,112	7,27,168	14,51,03,825	14,84,74,583
	Less: Purchase of Fixed Assets/ CWIP	(65,69,021)			(1,79,54,213)
	Increase in Non current investment	(11,16,100)			13,05,20,370
	Increase in Long term Loans and Advances	(5,34,20,422)	(6,11,05,543)		
NET CASH FLOW USED IN INVESTING ACTIVITIES (B)			(6,03,78,375)		2,62,22,414
III) CASH FLOW FROM FINANCING ACTIVITIES					
	Increase in Share capital/Application money/ Share Premium		17,37,25,000		1,31,50,000
	Money received against Share Warrant		27,50,000		
	Secured Loan written off as per BIFR order		1,02,17,51,728		
	Repayment of Long Term borrowings	(1,03,38,51,728)		(18,17,15,772)	
	Capital restructuring costs			(11,93,300)	
	Finance Cost	(2,10,999)	(1,03,40,62,727)	(4,20,046)	(18,33,29,118)
NET CASH FLOW USED IN FINANCING ACTIVITIES (C)			16,41,64,001		(17,01,79,118)
Less: Net loss on foreign currency transactions and translation (other than considered as finance cost)			(21,35,509)		18,64,212
NET INCREASE IN CASH AND CASH EQUIVALENTS			15,09,82,480		2,09,44,699
	Cash & Cash Equivalent at the beginning of the year				
	Cash on Hand	3,97,888		8,71,515	
	Bank Balance	6,37,67,471	6,41,65,359	4,23,49,145	4,32,20,660
Less: Cash & Cash Equivalent at the end of the year					
	Cash on Hand	12,24,826		3,97,888	
	Bank Balance	21,39,23,014	21,51,47,839	6,37,67,471	6,41,65,359
NET INCREASE IN CASH AND CASH EQUIVALENTS			15,09,82,480		2,09,44,699

As per our report of even date

For A.V.Jobanputra & Co.

Chartered Accountants

Firm Registration No: 104314W

A.V.Jobanputra

Proprietor

Membership No. 016352

Place : Mumbai

Date : 10th August 2017

For and on behalf of the Board of Directors**Pravin V. Sheth**

Chairman & Managing Director

Nital Gandhi

Company Secretary

Place : Mumbai

Date : 10th August 2017

G. Ravindran

Executive Director

P.S. Krishnan

Chief Financial Officer

FIBERWEB (INDIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 1: Share capital

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares	₹	Number of shares	₹
(a) Authorised				
Equity shares of ₹10/- each with voting rights	3,00,00,000	30,00,00,000	1,50,00,000	15,00,00,000
Redeemable preference shares of ₹10/- each	-	-	50,00,000	5,00,00,000
(b) Issued, Subscribed				
Equity shares of ₹10/- each with voting rights (6,788 shares forfeited)	1,32,95,855	13,29,58,550	12,595,855	12,59,58,550
[c] Paid up				
Equity shares of ₹10/- each with voting rights	1,32,95,855	13,29,58,550	1,25,95,855	12,59,58,550
Total	1,32,95,855	13,29,58,550	1,25,95,855	12,59,58,550

Footnotes:	As at 31 March, 2016	As at 31 March, 2015
	Nos.	Nos.
(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year		
Number of shares at the beginning of the year	1,25,95,855	1,09,93,093
Add/(Less):		
Reduced during the year	-	43,97,238
Issued during the year	7,00,000	60,00,000
Number of shares at the end of the year	1,32,95,855	1,25,95,855

*Footnotes:

(ii) Capital reduction has taken place during the year 2015-16 as per BIFR order dated 20/10/2015, details provided are as under:

As on 01/04/2015 Equity share holders were holdin 1,09,90,093 shares. During the year number of shares are reduced by 40% i.e. 43,97,238 shares and during the year ending 31/03/2016 further allotment of 60,00,000 shares were made at par vide BIFR order dated 20/10/2015. Hence balance at 31/03/2016 7706 share holders holding 1,25,95,855 shares of Rs. 10/- each.

(iii) During the year under review, the company allotted 18,00,000 convertible equity warrants @ 181/- (including premium of Rs 171/- per convertible equity warrants) on preferential basis to group of strategic investors. out of this 7,00,000 equity warrants converted into 7,00,000 equity shares of Rs 10/- each at a premium of Rs. 171/- per share.

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2017		As at 31 March, 2016	
	Nos.	% holding	Nos.	% holding
Equity shares with voting rights				
Pravin V Sheth	29,83,597	22.44	29,83,597	23.69
Bharat Capital & Holding Ltd.	10,800	0.08	12,34,996	9.81
Gayatri Pipes and Fittings Pvt Ltd	25,74,000	19.36	25,74,000	20.44
Unnati Pravin Sheth	13,58,362	10.22	13,58,362	10.78

Footnotes:**(v) Terms / rights attached to Equity Shares :**

The Company has a single class of equity shares having at par value of ₹10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

Note 2: Reserves & Surplus

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
(a) Securities Premium account		
Opening balance	13,24,47,305	13,24,47,305
Add: Additions during the year	16,67,25,000	-
Less: Capital Reduction Exps	-	-
Closing balance	29,91,72,305	13,24,47,305
(b) Capital Reduction Reserve		
Opening balance	4,27,79,080	-
Add: Additions during the year	-	4,39,72,380
Less: Capital Reduction Exps	-	11,93,300
Closing balance	4,27,79,080	4,27,79,080
(c) Revaluation Reserve		
Opening balance	15,37,76,547	15,46,73,160
Add: Provided / added with Revaluation Reserve	-	38,687
Less Deducted in Revaluation Reserve	-	9,35,300
Closing balance	15,37,76,547	15,37,76,547
(d) General Reserve	2,10,00,000	2,10,00,000
(e) Capital Reserve (Gain on Forfeiture of Shares)	63,440	63,440

FIBERWEB (INDIA) LIMITED

(f) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(92,27,86,656)	(99,38,27,791)
Secured Loan written off as per BIFR order	1,02,17,51,728	-
Excess Or Short Provision of Income Tax	(11,945)	-
Add: Profit / (Loss) for the year	14,24,78,383	7,10,41,135
Closing balance	24,14,31,510	(92,27,86,656)
Total	75,82,22,882	(57,27,20,284)

Footnotes:

(i) As per Hon'ble BIFR order dated 20/10/2015 an undertaking given to BIFR by Gayatri Pipes and Fittings Pvt Limited (Lender) the Tem Loan written back in May 2016.

3. Money received against Share Warrant

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹.
Money received against share warrant	27,50,000	
	27,50,000	

Note 4: Long-term borrowings

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹.
(a) Term loans (Secured) (Refer footnote)		
From banks	-	-
From other parties- Related Party	-	1,03,38,51,728
	-	1,03,38,51,728
(b) Other loans and advances (Unsecured) (Refer footnote)		
From Other Parties	-	-
	-	-
Total	-	1,03,38,51,728

Details of repayment of Long term Borrowings are as follows:

Particulars	Up to 1 year	2 to 5 years	Total
Term Loan from Bank	-	-	-
Term Loan from other parties	-	-	-
Total	-	-	-

ANNUAL REPORT 2016-17

Note 5: Short - term borrowings		
Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
Other loans and advances (Secured)		
From Related Parties	-	-
Director's Deposit		11,11,700
From Other Parties	-	-
Total	-	11,11,700

Footnote:

Unsecured loan taken from related party and other parties carries interest rate of 12% and is repayable on demand.

Disclosures under AS 18

Related party transactions

Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Pravin Sheth
Relatives of KMP	
Common Director- Soniya P Sheth	Kunststoffe Industries Limited
Daughter	Dhwani Sheth
Son	Bhavesh Sheth
Common Director- Pravin V Sheth	Gayatri Pipes & Fittings Pvt. Ltd.
Subsidiary	Sheth Nonwoven Trading FZE

Note: Related parties have been identified by the management and relied upon by the auditors.

Details of related party transactions during the year :

Particulars	Current Year As at 31 March, 2017	Previous Year As at 31 March, 2016
	₹	₹
Remuneration & Perquisites		
Pravin Sheth	36,73,311	28,80,000
Unnati P Sheth	4,31,349	4,07,710
Interest Paid		
Dhwani Sheth	-	84,000
Rent Paid		
Bhavesh Sheth	12,000	12,000
Dhwani Sheth	96,000	96,000
Kunststoffe Industries Limited	11,25,000	-

FIBERWEB (INDIA) LIMITED

Note 6: Trade payables		
Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Trade Payables**		
Creditors for goods	61,58,467	99,47,611
Creditors for expenses	1,13,25,356	1,42,57,272
Total	1,74,83,823	2,42,04,883
** Trade payables in above Note includes ₹ NIL (P.Y. ₹ NIL) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).		
Note 7: Other current liabilities		
Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Advance received from customers	6,30,545	1,10,737
Other payables		
(a) Statutory remittances (Contributions to PF and ESIC, CST, PT, Excise Duty, VAT, Service Tax, TDS, etc.)	2,29,327	2,66,459
(b) Interest Accrued and due on Borrowings	-	-
Curent Maturities of Term loan (Secured)		
(a) From banks (Refer footnote of Note 4)	-	6,44,300
Total	8,59,872	10,21,496
Note 8: Short-term provisions		
Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
(a) Provision for employee benefits	25,43,442	23,84,736
(b) Provision for expenses	20,77,851	20,40,140
Total	46,21,293	44,24,876

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 9: Fixed Assets

Tangible assets	Gross block			Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2016	Additions & Disposals as at Revaluation	Balance as at 31 March, 2017	Balance as at 1 April, 2016	Depreciation expense for the year	Eliminated on disposal of assets	Other Adjustments	Balance as at 31 March, 2017	Balance as at 31 March, 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Land Freehold Leasehold	8,11,47,998	14,918	8,11,33,080	-	-	-	-	8,11,33,080	8,11,33,080
(b) Buildings Factory Building - Own use	6,75,35,405	2,20,619	6,77,56,024	2,94,67,136	(18,88,290)	-	-	4,01,77,178	3,82,88,888
Office Building - Own use**	23,772	-	23,772	-	-	-	-	23,772	23,772
(c) Plant and Equipment	83,50,72,876	30,57,905	83,81,30,781	55,25,66,158	2,70,57,470	(32,601)	-	25,84,74,552	28,24,74,118
(d) Furniture and fixtures	42,08,291	13,14,434	55,22,725	39,87,481	1,60,118	-	-	13,75,126	2,20,810
(e) Vehicles	2,11,21,243	18,66,612	2,22,20,071	1,46,95,632	14,76,569	5,48,169	-	65,96,039	64,25,611
(f) office equipment	15,79,958	13,800	15,93,758	15,14,584	17,182	-	-	61,992	65,374
(g) Other electrical Items	4,57,423	58,147	5,15,570	4,34,610	17,780	-	-	63,180	22,813
(h) Computer	25,40,846	83,423	26,24,269	24,04,612	1,00,435	-	-	1,19,222	1,36,234
TOTAL	1,01,36,87,812	66,14,940	1,01,95,20,050	60,50,70,212	2,69,41,264	5,15,568	-	38,80,24,141	40,87,90,701
B									
(c) Capital WIP		1,74,700	1,74,700	-	-	-	-	1,74,700	-
TOTAL		1,74,700	1,74,700	-	-	-	-	1,74,700	-
Total (A+B)	1,01,36,87,812	67,89,640	1,01,96,94,750	60,50,70,212	2,69,41,264	5,15,568	-	38,81,98,841	40,87,90,701

FIBERWEB (INDIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 10: Non Current investments

Particulars	As at 31 March, 2017			As at 31 March, 2016		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	₹	₹	₹	₹	₹	₹
Non current investments (At lower of cost and fair value, unless otherwise stated)						
Investment in equity instruments of other entities -						
GOA BANK - 107 Shares Fully paid up @ ₹100/- each	10,700	-	10,700	10,700	-	10,700
Total	10,700	-	10,700	10,700	-	10,700
Investment in SHETH NON WOVEN			1116100	-	-	-
			11,26,800	10,700	-	10,700

Note 11: Long-term loans and advances

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
(Unsecured, considered good)		
(a) Security deposits	1,20,97,041	5,31,168
To other parties	5,69,53,694	1,50,92,080
(c) Balances with Govt. authorities		
VAT	2,63,385	2,63,385
TDS	32,792	39,857
Total	6,93,46,912	1,59,26,490

Note 12: Inventories

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
(Valued at lower of cost or net realisable value)		
(a) Raw materials	5,42,33,641	3,94,11,177
(b) Finished goods (other than those acquired for trading)	2,90,76,788	1,51,53,647
(c) Stores and spares	2,00,36,653	1,96,30,772
(d) Packing Materials	12,95,906	8,29,526
Total	10,46,42,988	7,50,25,122

ANNUAL REPORT 2016-17

Note 13: Trade receivables

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Trade receivables (Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they were due for payment	-	-
Other trade receivable	13,56,85,484	5,25,19,962
	13,56,85,484	5,25,19,962
Total	13,56,85,484	5,25,19,962

Note 14: Cash and cash equivalents

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
(a) Cash on hand	12,24,826	3,97,888
(b) Balances with banks		
(i) In current accounts	14,66,18,439	1,68,39,382
(ii) In EEFC (Exchange Earner's Foreign Currency) accounts	6,52,50,541	4,50,28,439
(iii) In earmarked accounts		
Balances held as margin money or security against borrowings, guarantees and other commitments (Refer footnote)	20,54,033	18,99,650
Total	21,51,47,839	6,41,65,359

Footnote:

Balances with banks include margin monies amounting to Rs.20,54,033/- (As at 31 March, 2016Rs.18,99,650/-) which have an original maturity of more than 12 months.

Note 15: Short-term loans and advances

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Unsecured, considered good		
(a) Loans and advances to employees	3,54,500	4,33,650
(b) Prepaid expenses	5,61,493	4,48,593
(c) Balances with government authorities		
(i) Service Tax credit	3,63,847	2,60,212
(ii) Excise	2,75,772	2,45,086
	6,39,619	5,05,298
(d) Others -Advance to creditors	11,91,944	27,074
Total	27,47,556	14,14,615

FIBERWEB (INDIA) LIMITED

Note 16: Revenue from operations

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
(a) Sale of products Net of CST & VAT (Refer footnote)	1,05,53,60,884	64,81,97,305
(b) Other operating revenues (Refer footnote)	16,51,443	18,70,916
	1,05,70,12,327	65,00,68,221
Less: Excise duty	1,39,76,787	3,26,17,150
Total	1,04,30,35,539	61,74,51,071

Footnote:

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
(i) Sale of products comprises :		
Manufactured goods		
Sales of Fabrics	1,05,59,27,494	65,07,95,379
Less: VAT & CST	5,66,610	25,98,074
Total - Sale of products	1,05,53,60,884	64,81,97,305
(ii) Other operating revenues:		
Sale of scrap	16,51,443	18,70,916
Total - Other operating revenues	16,51,443	18,70,916

Note 17: Other Income

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
Other Income		
(a) Interest from banks on Deposits	4,39,056	1,42,956
(b) Sale of Old newspaper	43,240	34,600
(c) Net gain on foreign currency transactions and translation (other than considered as finance cost)		18,64,212
(d) Interest from Others	1,882	-
(e) Profit on Sale of Vehicles	68,497	-
Total	5,52,675	20,41,768

ANNUAL REPORT 2016-17

Note 18: Cost of materials consumed

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Opening stock	3,94,11,177	3,02,93,626
Add: Purchases	71,77,57,445	35,31,01,862
	75,71,68,622	38,33,95,488
Less: Closing stock	5,42,33,641	3,94,11,177
Cost of material consumed	70,29,34,981	34,39,84,311

Note 19: Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Inventories at the end of the year:		
Finished goods	2,90,76,788	1,51,53,647
Inventories at the beginning of the year:		
Finished goods	1,51,53,647	1,90,84,922
Net (increase) / decrease	(1,39,23,141)	39,31,275

Note 20: Employee benefits expense

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Salaries and wages	3,83,12,915	3,61,20,182
Contributions to provident and other funds (Refer footnote)	27,81,336	25,15,737
Staff welfare expenses	23,00,605	30,80,823
Total	4,33,94,856	4,17,16,742

Disclosure under AS 15

Employee benefit plans (Defined contribution plans)

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹27,81,336/- (Year ended 31 March, 2016 ₹25,15,737/-) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

FIBERWEB (INDIA) LIMITED

Note 21: Finance costs

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
(a) Interest expense on:		
Borrowings and others	2,10,999	4,20,046
Total	2,10,999	4,20,046

Note 22: Other expenses

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
Manufacturing Expense		
Consumption of packing materials	1,92,69,498	2,28,62,375
Consumption of stores and spare parts	55,07,476	72,34,357
Unimin manufacturing expense		27,328
Unimin Jobwork expense	-	6,00,000
Labour Charges	36,83,664	33,17,511
Power and fuel	2,37,82,478	2,56,13,921
Administration Expenses		
Bank Charges (incl. Bill Discounting Charges)	16,24,616	13,39,682
Canteen Expenses	1,29,692	1,37,564
Communication	10,14,514	11,73,414
Coolie & Cartage	8,83,903	10,29,807
DATA Processing Charges	2,67,108	1,85,278
Donations and contributions	17,37,200	36,001
Festival Celebration Expenses	76,481	1,91,718
Freight and forwarding	4,84,83,441	6,18,91,207
Gardening Charges	99,485	70,950
Guest House Expenses	4,28,443	1,98,337
Insurance	7,23,144	6,54,483
Legal and professional	42,06,462	32,65,396
Loss on Sale of Fixed Assets		-
Miscellaneous expenses	2,99,653	71,795
Motor Car Expenses	15,11,166	14,66,393
Net Loss on foreign currency transactions and translation (other than considered as finance cost)	21,35,509	-
Office electricity charges	4,25,300	4,62,600
Office Expenses	34,38,822	20,71,948

ANNUAL REPORT 2016-17

Note 22: Other expenses

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
Payments to auditors (Refer Footnote)	4,02,000	2,42,000
Postage Charges	16,15,307	2,78,230
Printing and stationery	5,03,685	3,52,396
Rates and taxes	7,46,396	3,87,222
Rent including lease rentals	85,79,226	72,85,614
Repairs and maintenance - Buildings	16,01,606	5,73,927
Repairs and maintenance - Machinery	9,29,113	7,67,881
Repairs and maintenance - Others	7,59,086	5,35,493
Security Charges	18,24,341	15,38,286
Subscription Books & Periodicals	20,032	22,712
Software expenses-computer	1,06,215	75,945
Technical consultancy charges	3,60,000	3,60,000
Directors Seating fees	1,39,900	-
Travelling and conveyance	24,32,058	44,33,965
Selling & Distribution Expense		
Advertisement & Publicity	11,07,591	1,48,180
Business promotion	6,96,261	6,77,568
Publicity Expenses written off (Deferred revenue expenditure)	-	-
Sales commission	-	-
Total	14,15,50,872	15,15,81,484

Footnote:

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
Payments to the auditors comprises (net of service tax input credit, where applicable):		
For Statutory audit	2,00,000	1,20,000
For Tax audit	2,00,000	1,20,000
For Cost audit	-	-
For VAT audit	2,000	2,000
Total	4,02,000	2,42,000

FIBERWEB (INDIA) LIMITED

Note 23: Exceptional items

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
(d) Profit on Sale of Land-Building-Plant & Mach	-	2,53,28,575
Total	-	2,53,28,575

Note 24: Extraordinary items

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
Total	-	-

Note 25: Earning Per Share

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	₹	₹
Net Profit as per statement of profit and loss before extraordinary item (₹)	14,24,78,383	7,10,41,135
Weighted average number of equity shares outstanding during the year (Nos.)	1,32,95,855	1,25,95,855
Earning per equity share (Nominal value per share ₹10/- each)		
Basic and diluted	11.31	6.32
Net Profit as per statement of profit and loss after extraordinary item (₹)	14,24,78,383	7,10,41,135
Weighted average number of equity shares outstanding during the year (Nos.)	1,32,95,855	1,25,95,855
Earning per equity share (Nominal value per share ₹10/- each)		
Basic and diluted	11.31	6.32

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**NOTE '26': CORPORATE INFORMATION**

Fiberweb (India) Limited is a listed public limited Company, incorporated under The Companies Act, 2013. The Company is engaged in the business of "Manufacture of SPUNBOND NONWOVEN FABRICS from polypropylene. The Company has started business activity in U.A.E. through formation of wholly owned (i.e. 100%) subsidiary, viz. Sheth Non Wooven Trading FZE in Ras Al Khaimah (U. A. E.).

NOTE '27': SIGNIFICANT ACCOUNTING POLICIES**I. Basis of preparation of financial statements**

- a. The financial statements have been prepared and presented under the historical cost convention using the accrual basis of accounting in accordance with the accounting principles generally accepted in India and are in accordance with the applicable Accounting Standards, Guidance Notes and the relevant provisions of the Companies Act, 2013.
- b. Accounting polices not specifically referred to otherwise are consistent with generally accepted accounting principles.

II. Use of estimates

- a. The preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions, that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

III. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

a. Revenue from sale

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.

b. Interest and dividend:

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when right to receive dividend is established.

c. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

FIBERWEB (INDIA) LIMITED

IV. Tangible assets and depreciation / amortisation

- a. Tangible fixed assets are stated at cost of acquisition less accumulated depreciation / amortisation and accumulated impairment losses, if any.
- b. Fixed Assets are shown at Original cost of acquisition less accumulated depreciation.
Fixed Assets were revalued as on 31.03.2015. The surplus arising from the revaluation had been transferred to "Revaluation Reserve" and shown under the head "Reserves & Surplus".
- c. Depreciation is provided on the straight line method on the basis of useful life of the asset in the manner specified on schedule II to the Companies Act 2013. Depreciation on the additions to assets or on sale/Disposal of assets is calculated pro rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

V. Inventories

Raw materials and consumable Stores are valued at cost. Finished and Semi Finished goods are valued at lower of cost or market value.

VI. Investments

Investments are classified into Current and Non Current / Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

VII. Operating Cycle

Receivables and Payables in relation to operations are considered as "Current Assets" and "Current Liabilities" as the case may be considering the nature of business of the Company.

All other Assets and Liabilities have been classified as provided in Schedule III to the Companies Act, 2013.

VIII. Employee benefits

- A. Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered;
- B. Post Employment Benefits
Defined contribution plans: Company's contribution to State governed Provident Fund Scheme is recognized during the year in which the related service is rendered;
- C. 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.
- D. 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.

IX. Foreign currency transactions

- A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.
- B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date, are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the statement of profit and loss.

- C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.
- D. Import and export of goods in foreign currency are accounted at exchange rates prevailing on the date of payment, whichever made.
- E. The audited statement of accounts of USA Branch have not been received till the date of signing the Audit Report of the company. All original documents are lying with US office. We have verified the same on the basis of Xerox/scanned copy. The Value of total transactions is Rs.1,65,52,498/- as against total turnover of Rs 105,70,12,327/-, i.e. 1.56 % which is insignificant, from the materiality point of view.

X. Segment reporting

The Company is engaged in the business of Polymer Processing and manufacturing of Spun bond non woven fabrics, which as per Accounting Standard - 17 'Segment Reporting' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under AS-17 are not applicable.

XI. Impairment of assets

The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favorable change in the estimate of the recoverable amount.

XII. Treatment of Contingent Liabilities & Contingent Assets

Contingent gains are not recognized in the accounts. Central Excise Dept. has wrongly ordered Company to pay Anti Dumping duty which in the opinion of Board of Directors is not leviable on the Company as the Company is a 100% EOU situated at Daman. Company has filed an appeal in the Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad, against the Order dated 03/02/2017 issued by the Commissioner of Central Excise, Daman, received by Company on 02/03/2017 demanding Anti Dumping Duty of Rs. 1,37,77,776/- on imported Polypropylene during the period August 2009 to 31.03.2015, together with interest at the appropriate rate and penalty of Rs.1,37,77,776/- imposed on the Company and penalty of Rs.15,00,000/- on Mr. G. R. Ravindran, Executive Director of the Company, in spite of giving BIFR order in rehabilitation scheme clearly directing the Central Excise & Custom Department to waive penalty and interest.

The Company has made a pre-deposit 7.5% of Rs. 1,37,77,776/- (duty) Rs. 10,33,333/- and 7.5% of Rs.15,00,000/- (penalty imposed on Mr. G. Ravindran) Rs. 1,12,500/- and filed the Appeal against the Order before Customs, Excise and Service tax Appellate Tribunal at Ahmadabad on 12/05/2016 and the matter is pending before Tribunal.

NOTE '28': OTHER NOTES ON ACCOUNTS

- I. The Company has availed non funding facilities from its bankers. In this connection ₹Rs. 20,54,033/- (previous year ₹18,99,650/-) are kept with Banks as lien / margin money against guarantees opened by the bankers and guarantees issued by them.
- II. No provision for income tax liability has been made in the terms of BIFR order dt 20.10.2015 under which vide clause 13.2.c, the company is exempted from the applicability of Minimum Alternate Tax (MAT) u/s 115 J of Income Tax Act, 1961.
- III. Debtors and Creditors balances are subject to confirmations from the parties.

FIBERWEB (INDIA) LIMITED

- IV. 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.
- V. 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.
- VI. Details of Specified Bank Notes held and transacted during the period from 08/11/2016 to 30/12/2016 is as under:-

	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 8.11.2016	2,97,500	6,49,523	9,47,023
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	2,97,500	1,75,614	4,73,114
Closing cash in hand as on 30.12.2016	-	4,73,908	4,73,908

VII. Figures of the previous year have been re-grouped / rearranged /reclassified wherever necessary.

For and on behalf of the Board of Directors

For A.V. Jobanputra & Co.

Chartered Accountants

Firm Registration No: 104314W

A.V.Jobanputra

Proprietor

Membership No. 016352

Pravin V. Sheth

Chairman and Managing Director

G. Ravindran

Excutive Director

Nital Gandhi

Company Secretary

Place: Mumbai

Date: 10.08.2017

P. S. Krishnan

Chief Financial Chief Financial

Place: Mumbai

Date: 10.08.2017

INDEPENDENT AUDITOR'S REPORT

To

The Members

FIBERWEB (INDIA) LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of FIBERWEB (INDIA) LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss, and the Cash Flow Statement for the year on that date, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act and other applicable authoritative pronouncements issued by the institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

FIBERWEB (INDIA) LIMITED

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and subject to Note nos. 26, 27 and 28, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ('The Order') issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by sub section 3 of Section 143 of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of sub-section 2 of Section 164 of the Act.
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:-
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosures in the consolidated financial statements as regards its holding and dealings in Specified Bank Notes (SBNs) as defined in the Notification S. O. 3407(E) dated the November 8, 2016 of the Ministry of Finance during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the company and as produced to us by the Management.

FOR A. V. Jobanputra & Co.
CHARTERED ACCOUNTANTS
Firm Registration No.: 104314W

A. V. Jobanputra
PROPRIETOR
(MEMBERSHIP NO: 016352)

Place:- Mumbai

The Annexure A referred to in Para 1 – Report on Other Legal Regulatory Requirements of our Independent Auditor's Report to the members of the Company on the consolidated financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company;
- ii) In our opinion the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us, no material discrepancies were noticed on physical verification;
- iii) According to the information and explanations given to us, the company has not granted any secured or unsecured loans to Companies, Firms or other parties, covered in the register maintained under section 189 of the companies Act 2013;
- iv) The Company has not given loans, or made investments, or given guarantees and provided security in terms of provisions of section 185 and 186 of The Companies Act, 2013;
- v) The Company has not accepted deposits and hence the directive issued by the Reserve Bank of India and the provisions of the sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under are not required to be complied with by the Company;
- vi) We have been informed that the Company is not required to maintain cost record under sub-section (1) of section 148 of the Companies Act,2013.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, custom Duty, service tax, value added tax, cess and any other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities and no undisputed amounts payable were in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable
- (b) According to the information and explanations given to us, there are no disputed amounts of income tax, sales tax, custom duty, service tax or value added tax which have not been deposited with the concerned authorities;
- (c) During the year Central Excise Department has levied an anti dumping duty on the company of Rs. 1,37,77,776/- for the period August 2009 to March 2015 and also penalty of Rs 1,37,77,776/- and Interest thereon and of Rs 15,00,000/- on one of its Directors. The company has filed an appeal against the said order before CESTAT, Ahmedabad. The company has paid an amount of Rs. 10,33,333/- and Rs 1,12,500/- against the said demand, as deposit for filing the appeal.
- viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to a bank. The Company has not obtained any borrowing from any financial institutions, Government or by way of debentures;
- ix) On the basis of records examined by us and the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer during the year;

FIBERWEB (INDIA) LIMITED

- x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- xi) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the Company has paid managerial remuneration as per Section 197 read with Schedule V to the Companies Act, 2013;
- xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly paragraph 3(xii) is not applicable;
- xiii) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details of the same have been disclosed in the financial statements as required by the applicable accounting standards;
- xiv) According to the information and explanations given to us, and based on our examination of the records of the Company, the monies raised during the year through private placement of 18,00,000 convertible equity warrants comprising face value of Rs.10/- each at a premium of Rs.171/- per share to be converted into 18,00,000 equity shares. Out of this, 7,00,000 equity warrants were converted into equity shares of Rs.10/- each, at a premium of Rs.171/- per share, are in compliance with Section 42 of the Companies Act, 2013 and said funds has been utilized for the purposes for which they were raised;
- xv) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly paragraph 3(15) of the order is not applicable;
- xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India, 1934.

FOR A. V. Jobanputra & Co.
CHARTERED ACCOUNTANTS
Firm Registration No.: 104314W

A. V. Jobanputra
PROPRIETOR
(MEMBERSHIP NO: 016352)

Place:- Mumbai

Date:- 10/08/2017

The Annexure B referred to in Para 2(f) - Report on other Regulatory requirements of our Independent Auditor's Report to the Members of the Company on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the act") for the year ended 31st March, 2017

We have audited the internal financial controls over financial reporting of FIBERWEB (INDIA) LIMITED ("the company") as of 31st March, 2017 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial Reporting issued by the institute of Chartered Accountants of India." These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors. The accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit in accordance with the Guidance Note on Audit of internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles. And that receipts and expenditures of the company are being made only in accordance with authorities of management and directors of the company; and (3) provide

FIBERWEB (INDIA) LIMITED

reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management overrides of controls, materials misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedure may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR A. V. Jobanputra & Co.
CHARTERED ACCOUNTANTS
Firm Registration No.: 104314W

A. V. Jobanputra
PROPRIETOR
(MEMBERSHIP NO: 016352)

Place:- Mumbai

Date:- 10/08/2017

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2017

Particulars		Note No.	As at 31 March, 2017
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1	13,29,58,550
	(b) Reserves and surplus	2	78,80,50,263
	(c) Money received against Share Warrant	3	27,50,000
			92,37,58,813
2	Share application money pending allotment		
3	Non-current liabilities		
	(a) Long-term borrowings	4	
4	Current liabilities		
	(a) Short-term borrowings	5	-
	(b) Trade payables	6	24,77,11,348
	(c) Other current liabilities	7	15,77,983
	(d) Short-term provisions	8	46,21,293
			25,39,10,624
	TOTAL		1,17,76,69,437
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets - Tangible assets	9	38,81,98,841
	(b) Non Current investments	10	7,28,811
	(c) Long-term loans and advances	11	6,93,46,912
			45,82,74,564
2	Current assets		
	(a) Inventories	12	10,46,42,988
	(b) Trade receivables	13	39,68,56,490
	(c) Cash and cash equivalents	14	21,51,47,839
	(d) Short-term loans and advances	15	27,47,556
			71,93,94,873
	TOTAL		1,17,76,69,437

The accompanying notes 1 to 28 are an integral part of the financial statements.

As per our report of even date

For A.V.Jobanputra & Co.

Chartered Accountants

Firm Registration No: 104314W

A.V.Jobanputra

Proprietor

Membership No. 016352

Place : Mumbai

Date : 10th August 2017

For and on behalf of the Board of Directors

Pravin V. Sheth

Chairman & Managing Director

Nital Gandhi

Company Secretary

Place : Mumbai

Date : 10th August 2017

G. Ravindran

Executive Director

P.S. Krishnan

Chief Financial Officer

FIBERWEB (INDIA) LIMITED
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
31 MARCH, 2017**

Particulars		Note No.	For the year ended 31 March, 2017 ₹
A	INCOME		
1	Revenue from operations (gross)	16	1,31,77,51,534
	Less: Excise duty		1,39,76,787
	Revenue from operations (net)		1,30,37,74,747
2	Other income	17	5,52,675
3	Total Income (1+2)		1,30,43,27,422
B	EXPENSES		
	Cost of materials consumed	18	93,31,62,506
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	(1,39,23,141)
	Employee benefits expenses	20	4,33,94,856
	Finance costs	21	2,10,999
	Depreciation and amortisation expenses	9	2,69,41,264
	Other expenses	22	14,21,66,904
4	Total expenses		1,13,19,53,388
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		17,23,74,033
6	Exceptional items	23	
7	Profit / (Loss) before extraordinary items and tax (5 + 6)		17,23,74,033
8	Extraordinary items	24	-
9	Profit / (Loss) before tax (7 + 8)		17,23,74,033
10	Tax expense:		
	Current tax expense		
	Deferred tax		
11	Profit / (Loss) after tax for the Year (9 - 10)		17,23,74,033
12	Earning per equity share of nominal value of ₹10/- each	25	
	Basic and Diluted (Before extraordinary item)		12.96
	Basic and Diluted (After extraordinary item)		12.96

The accompanying notes 1 to 28 are an integral part of the financial statements.

As per our report of even date
For A.V.Jobanputra & Co.
Chartered Accountants
Firm Registration No: 104314W

A.V.Jobanputra
Proprietor
Membership No. 016352

Place : Mumbai
Date : 10th August 2017

For and on behalf of the Board of Directors

Pravin V. Sheth
Chairman & Managing Director

Nital Gandhi
Company Secretary

Place : Mumbai
Date : 10th August 2017

G. Ravindran
Executive Director

P.S. Krishnan
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars		For the year ended 31st March 2017 (RS)	
		₹	₹
I) CASH FLOW FROM OPERATING ACTIVITIES			
a)	Net profit after Tax		17,23,74,033
b)	Add: Non cash items / items considered separately		
	Depreciation and Amortisation	2,69,41,264	
	Finance Cost	2,10,999	
	Net loss on foreign currency transactions and translation (other than considered as finance cost)	21,35,509	
	Current Tax	-	2,92,87,772
			20,16,61,805
c)	Less: Items considered separately		
	Net gain on foreign currency transactions and translation (other than considered as finance cost)	-	
	Interest Income	4,39,056	
	Profit on Sale of Fixed Assets	68,497	(5,07,553)
d)	Operating profits before working capital changes (a+b-c)		20,11,54,253
	Changes in Working Capital		
e)	Add: Decrease in Current Assets & Increase in Current Liabilities		
	Short term Liabilities	-	
	Short Term Loans & Advances	-	
	Short term Provision	1,96,417	
	Inventories (Last Year)	-	-
	Short/Excess provision for Income Tax	(11,945)	1,84,472
f)	Less: Increase in Current Assets & Decrease in Current Liabilities		
	Inventories	2,96,17,866	
	Trade receivables	34,39,04,729	
	Short Term Loans & Advances	14,37,664	
	Prepaid Expenses	3,27,077	
	Short term Borrowings	11,11,700	
	Trade Payables	(22,35,06,465)	
	Other current liabilities	1,61,624	(15,30,54,195)
	Cash generated from operations (d+e-f)		
NET CASH FLOW FROM OPERATING ACTIVITIES (A)			4,82,84,529
II) CASH FLOW FROM INVESTING ACTIVITIES			
	Interest Income	4,39,056	
	Decrease in Long term Loans and Advances	-	
	Sale of Fixed Assets	2,88,112	7,27,168
Less:	Purchase of Fixed Assets/ CWIP	(65,69,021)	
	Increase in Non current investment	-	
	Increase in Long term Loans and Advances	(5,34,20,422)	(5,99,89,443)

FIBERWEB (INDIA) LIMITED

Particulars	For the year ended 31st March 2017 (RS)	
	₹	₹
NET CASH FLOW USED IN INVESTING ACTIVITIES (B)		(5,92,62,275)
III) CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Share capital/Application money/Share Premium		17,37,25,000
Money received against Share Warrant		27,50,000
Secured Loan written off as per BIFR order		1,02,17,51,728
Repayment of Long Term borrowings	(1,03,38,51,728)	
Capital restructuring costs		-
Finance Cost	(2,10,999)	(1,03,40,62,727)
NET CASH FLOW USED IN FINANCING ACTIVITIES (C)		16,41,64,001
Less: Net loss on foreign currency transactions and translation (other than considered as finance cost)		(22,03,776)
NET INCREASE IN CASH AND CASH EQUIVALENTS		15,09,82,480
Cash & Cash Equivalent at the beginning of the year		
Cash on Hand	3,97,888	
Bank Balance	6,37,67,471	6,41,65,359
Less: Cash & Cash Equivalent at the end of the year		
Cash on Hand	12,24,826	
Bank Balance	21,39,23,014	21,51,47,839
NET INCREASE IN CASH AND CASH EQUIVALENTS		15,09,82,480

As per our report of even date
For A.V.Jobanputra & Co.
Chartered Accountants
Firm Registration No: 104314W

A.V.Jobanputra
Proprietor
Membership No. 016352

Place : Mumbai
Date : 10th August 2017

For and on behalf of the Board of Directors

Pravin V. Sheth
Chairman & Managing Director

Nital Gandhi
Company Secretary
Place : Mumbai
Date : 10th August 2017

G. Ravindran
Executive Director

P.S. Krishnan
Chief Financial Officer

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**Note 1: Share capital**

Particulars	As at 31 March, 2017
(a) <u>Authorised</u>	
Equity shares of ₹10/- each with voting rights	30,00,00,000
Redeemable preference shares of ₹10/- each	
(b) <u>Issued, Subscribed</u>	
Equity shares of ₹10/- each with voting rights	13,29,58,550
(6,788 shares forfeited)	
[c] <u>Paid up</u>	
Equity shares of ₹10/- each with voting rights	13,29,58,550
Total	13,29,58,550

Footnotes:**(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year**

Number of shares at the beginning of the year	1,25,95,855
Add/(Less):	
Reduced during the year	-
Issued during the year	7,00,000
Number of shares at the end of the year	1,32,95,855

Footnotes:**(iii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	Nos.	% holding
Equity shares with voting rights		
Pravin V Sheth	29,83,597	22.44
Bharat Capital & Holding Ltd.	10,800	0.08
Gayatri Pipes and Fittings Pvt Ltd	25,74,000	19.36
Unnati Pravin Sheth	13,58,362	10.22

FIBERWEB (INDIA) LIMITED

Note 2: Reserves & Surplus

Particulars	As at 31 March, 2017
(a) Securities Premium account	
Opening balance	13,24,47,305
Add: Additions during the year	16,67,25,000
Less: Capital Reduction Exps	-
Closing balance	29,91,72,305
(b) Capital Reduction Reserve	
Opening balance	-
Add: Additions during the year	4,39,72,380
Less: Capital Reduction Exps	-
Closing balance	4,39,72,380
(c) Revaluation Reserve	
Opening balance	15,37,76,547
Add: Provided / added with Revaluation Reserve	-
Less Deducted in Revaluation Reserve	-
Closing balance	15,37,76,547
(d) General Reserve	2,10,00,000
(e) Capital Reserve (Gain on Forfeiture of Shares)	63,440
Loss incurred in Sheth nonwoven due to exchange rate fluctuation	-68269
(f) Surplus / (Deficit) in Statement of Profit and Loss	
Opening balance	(92,27,86,656)
Secured Loan written off as per BIFR order	1,02,05,46,483
Add: Profit / (Loss) for the year	17,23,74,033
Closing balance	27,01,33,860
Total	78,80,50,263

Footnotes

(i) As per Hon'ble BIFR order dated 20/10/2015 an undertaking given to BIFR by Gayatri Pipes and Fittings Pvt Limited (Lender) the Term Loan Written back in May 2016

3. Money received against Share Warrant

Particulars	As at 31 March, 2017
Money received against share warrant	27,50,000
	27,50,000

Note 4: Long-term borrowings

Particulars	As at 31 March, 2017
(a) Term loans (Secured) (Refer footnote)	
From banks	-
From other parties- Related Party	-
(b) Other loans and advances (Unsecured) (Refer footnote)	
From Other Parties	-
Total	-

Details of repayment of Long term Borrowings are as follows:

Particulars	Total
Term Loan from Bank	-
Term Loan from other parties	-
Total	-

Footnotes:

(ii) Capital reduction has taken place during the year 2015-16 as per BIFR order dated 20/10/2015, details provided are as under:

As on 01/04/2015 Equity share holders were holdin 1,09,90,093 shares. During the year number of shares are reduced by 40% i.e. 43,97,238 shares and during the year ending 31/03/2016 further allotment of 60,00,000 shares were made at par vide BIFR order dated 20/10/2015. Hence balance at 31/03/2016 7706 share holders holding 1,25,95,855 shares of Rs. 10/- each.

(iii) During the year under review, the company allotted 18,00,000 convertible equity warrants @ 181/ (including premium of Rs 171/- per convertible equity warrants) on preferential basis to group of strategic investors. out of this 7,00,000 equity warrants converted into equity shares of Rs 10/- each at a premium of Rs. 171/- per share.

(iv) Terms / rights attached to Equity Shares :

The Company has a single class of equity shares having at par value of ` 10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

Note 5: Short - term borrowings

Particulars	As at 31 March, 2017
Other loans and advances (Secured)	
From Related Parties	-
Director's Deposit	
From Other Parties	-
Total	-

FIBERWEB (INDIA) LIMITED

Footnote:

Unsecured loan taken from related party and other parties carries interest rate of 12% and is repayable on demand.

Disclosures under AS 18	As at 31 March, 2017
Related party transactions	
Details of related parties:	
Description of relationship	Names of related parties
Key Management Personnel (KMP)	
Relatives of KMP	
Common Director- Soniya P Sheth	Kunststoffe Industries Limited
Daughter	Dhwani Sheth
Son	Bhavesh Sheth
Common Director- Pravin V Sheth	Gayatri Pipes & Fittings Pvt. Ltd.
Subsidiary	Sheth Nonwoven Trading FZE
Note: Related parties have been identified by the management and relied upon by the auditors.	

Details of related party transactions during the year :

Particulars	As at 31 March, 2017
Remuneration & Perquisites	
Pravin Sheth	
Unnati P Sheth	4,31,349
Interest Paid	
Dhwani Sheth	-
Rent Paid	
Bhavesh Sheth	12,000
Dhwani Sheth	96,000
Kunststoffe Industries Limited	11,25,000

Note 6: Trade payables

Particulars	As at 31 March, 2017
Trade Payables**	
Creditors for goods	23,63,85,993
Creditors for expenses	1,13,25,356
Total	24,77,11,348

** Trade payables in above Note includes ₹ NIL (P.Y. ₹ NIL) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

Note 7: Other current liabilities

Particulars	As at 31 March, 2017
Advance received from customers	6,30,545
Other payables	
(a) Statutory remittances (Contributions to PF and ESIC, CST, PT, Excise Duty, VAT, Service Tax, TDS, etc.)	2,29,327
(b) Interest Accrued and due on Borrowings	-
(c) Others	7,18,111
Total	15,77,983

Note 8: Short-term provisions

Particulars	As at 31 March, 2017
(a) Provision for employee benefits	25,43,442
(b) Provision for expenses	20,77,851
Total	46,21,293

FIBERWEB (INDIA) LIMITED

Note 9: Tangible assets

Tangible assets	Gross block			Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2016 ₹	Additions & Revaluation ₹	Disposals ₹	Balance as at 1 April, 2016 ₹	Depreciation expense for the year ₹	Eliminated on disposal of assets ₹	Other Adjustments ₹	Balance as at 31 March, 2017 ₹	Balance as at 31 March, 2016 ₹
(a) Land Freehold	8,11,47,998	-	14,918	8,11,33,080	-	-	-	8,11,33,080	8,11,33,080
Leasehold	-	-	-	-	-	-	-	-	-
(b) Buildings Factory	6,75,35,405	2,20,619	-	6,77,56,024	(18,88,290)	-	-	2,75,78,846	4,01,77,178
Building - Own use	-	-	-	-	-	-	-	-	-
Office Building - Own use**	23,772	-	-	23,772	-	-	-	23,772	23,772
(c) Plant and Equipment	83,50,72,876	30,57,905	-	83,81,30,781	2,70,57,470	(32,601)	-	57,96,56,229	25,84,74,552
(d) Furniture and fixtures	42,08,291	13,14,434	-	55,22,725	1,60,118	-	-	41,47,599	28,24,74,118
(e) Vehicles	2,11,21,243	18,66,612	7,67,784	2,22,20,071	1,46,95,632	5,48,169	-	1,56,24,032	64,25,611
(f) office equipment	15,79,958	13,800	-	15,93,758	17,182	-	-	15,31,766	65,374
(g) Other electrical items	4,57,423	58,147	-	5,15,570	17,780	-	-	4,52,390	22,813
(h) Computer	25,40,846	83,423	-	26,24,269	24,04,612	-	-	25,05,047	1,36,234
B	1,01,36,87,812	66,14,940	7,82,702	1,01,95,20,050	2,69,41,264	5,15,568	-	63,14,95,909	40,87,90,701
(c) Capital WIP	-	1,74,700	-	1,74,700	-	-	-	1,74,700	-
TOTAL	1,01,36,87,812	67,89,640	7,82,702	1,01,96,94,750	2,69,41,264	5,15,568	-	63,14,95,909	40,87,90,701
	1,11,64,62,543	1,79,54,213	12,07,28,944	1,01,36,87,812	57,29,80,871	3,21,46,421	1,73,101	60,50,70,212	54,36,54,772

Note 10: Non Current investments

Particulars	As at 31 March, 2017
Non current investments (At lower of cost and fair value, unless otherwise stated)	
Investment in equity instruments of other entities -	
GOA BANK - 107 Shares Fully paid up @ ₹100/- each	10,700
Investment	7,18,111
	7,28,811

Note 11: Long-term loans and advances

Particulars	As at 31 March, 2017
(Unsecured, considered good)	
(a) Security deposits	1,20,97,041
(b) Other loans and advances	
To other parties	5,69,53,694
(c) Balances with Govt. authorities	
VAT	2,63,385
TDS	32,792
Total	6,93,46,912

Note 12: Inventories

Particulars	As at 31 March, 2017
(Valued at lower of cost or net realisable value)	
(a) Raw materials	5,42,33,641
(b) Finished goods (other than those acquired for trading)	2,90,76,788
(c) Stores and spares	2,00,36,653
(d) Packing Materials	12,95,906
Total	10,46,42,988

Note 13: Trade receivables

Particulars	As at 31 March, 2017
Trade receivables (Unsecured, considered good)	
Outstanding for a period exceeding six months from the date they were due for payment	-
Other trade receivable	39,68,56,490
	39,68,56,490
Total	39,68,56,490

FIBERWEB (INDIA) LIMITED

Note 14: Cash and cash equivalents

Particulars	As at 31 March, 2017
(a) Cash on hand	12,24,826
(b) Balances with banks	
(i) In current accounts	14,66,18,439
(ii) In EEFC (Exchange Earner's Foreign Currency) accounts	6,52,50,541
(iii) In earmarked accounts	
Balances held as margin money or security against borrowings, guarantees and other commitments (Refer footnote)	20,54,033
Total	21,51,47,839

Footnote:

Balances with banks include margin monies amounting to Rs.20,54,033/- (As at 31 March, 2016Rs.18,99,650/-) which have an original maturity of more than 12 months.

Note 15: Short-term loans and advances

Particulars	As at 31 March, 2017
Unsecured, considered good	
(a) Loans and advances to employees	3,54,500
(b) Prepaid expenses	5,61,493
(c) Balances with government authorities	
(i) Service Tax credit	3,63,847
(ii) Excise	2,75,772
	6,39,619
(d) Others -Advance to creditors	11,91,944
Total	27,47,556

Note 16: Revenue from operations

Particulars	For the year ended 31 March, 2017
(a) Sale of products Net of CST & VAT (Refer footnote)	1,31,61,00,091
(b) Other operating revenues (Refer footnote)	16,51,443
	1,31,77,51,534
Less: Excise duty	1,39,76,787
Total	1,30,37,74,747

ANNUAL REPORT 2016-17

Footnote:

Particulars	For the year ended 31 March, 2017
(i) Sale of products comprises :	
Manufactured goods	
Sales of Fabrics	1,05,59,27,494
Less: VAT & CST	5,66,610
Total - Sale of products	1,05,53,60,884
(ii) Other operating revenues:	
Sale of scrap	16,51,443
Total - Other operating revenues	16,51,443

Note 17: Other Income

Particulars	For the year ended 31 March, 2017
<u>Other Income</u>	
(a) Interest from banks on Deposits	4,39,056
(b) Sale of Old newspaper	43,240
(c) Net gain on foreign currency transactions and translation (other than considered as finance cost)	
(d) Interest from Others	1,882
(e) Profit on Sale of Vehicles	68,497
Total	5,52,675

Note 18: Cost of materials consumed

Particulars	For the year ended 31 March, 2017
Opening stock	3,94,11,177
Add: Purchases	94,79,84,970
	98,73,96,147
Less: Closing stock	5,42,33,641
Cost of material consumed	93,31,62,506

Note 19: Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March, 2017
Inventories at the end of the year:	
Finished goods	2,90,76,788
Inventories at the beginning of the year:	
Finished goods	1,51,53,647
Net (increase) / decrease	(1,39,23,141)

FIBERWEB (INDIA) LIMITED

Note 20: Employee benefits expense

Particulars	For the year ended 31 March, 2017
Salaries and wages	3,83,12,915
Contributions to provident and other funds (Refer footnote)	27,81,336
Staff welfare expenses	23,00,605
Total	4,33,94,856

Disclosure under AS 15

Employee benefit plans (Defined contribution plans)

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹27,81,336/- (Year ended 31 March, 2016 ₹25,15,737/-) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Note 21: Finance costs

Particulars	For the year ended 31 March, 2017
(a) Interest expense on:	
Borrowings and others	2,10,999
Total	2,10,999

Note 22: Other expense

Particulars	For the year ended 31 March, 2017
Manufacturing Expense	
Consumption of packing materials	1,92,69,498
Consumption of stores and spare parts	55,07,476
Unimin manufacturing expense	-
Unimin Jobwork expense	-
Labour Charges	36,83,664
Power and fuel	2,37,82,478
Administration Expenses	6,16,032
Bank Charges (incl. Bill Discounting Charges)	16,24,616
Canteen Expenses	1,29,692
Communication	10,14,514
Coolie & Cartage	8,83,903

ANNUAL REPORT 2016-17

Particulars	For the year ended 31 March, 2017
DATA Processing Charges	2,67,108
Donations and contributions	17,37,200
Festival Celebration Expenses	76,481
Freight and forwarding	4,84,83,441
Gardening Charges	99,485
Guest House Expenses	4,28,443
Insurance	7,23,144
Legal and professional	42,06,462
Loss on Sale of Fixed Assets	-
Miscellaneous expenses	2,99,653
Motor Car Expenses	15,11,166
Net Loss on foreign currency transactions and translation (other than considered as finance cost)	21,35,509
Office electricity charges	4,25,300
Office Expenses	34,38,822
Payments to auditors (Refer Footnote)	4,02,000
Postage Charges	16,15,307
Printing and stationery	5,03,685
Rates and taxes	7,46,396
Rent including lease rentals	85,79,226
Repairs and maintenance - Buildings	16,01,606
Repairs and maintenance - Machinery	9,29,113
Repairs and maintenance - Others	7,59,086
Security Charges	18,24,341
Subscription Books & Periodicals	20,032
Software expenses-computer	1,06,215
Technical consultancy charges	3,60,000
Directors Seating fees	1,39,900
Travelling and conveyance	24,32,058
Selling & Distribution Expense	-
Advertisement & Publicity	11,07,591
Business promotion	6,96,261
Publicity Expenses written off (Deferred revenue expenditure)	-
Sales commission	-
Total	14,21,66,904

FIBERWEB (INDIA) LIMITED

Footnote:

	For the year ended 31 March, 2017
Payments to the auditors comprises (net of service tax input credit, where applicable):	
For Statutory audit	2,00,000
For Tax audit	2,00,000
For Cost audit	-
For VAT audit	2,000
Total	4,02,000

Note 23: Exceptional items

Particulars	For the year ended 31 March, 2017
(d) Profit on Sale of Land-Building-Plant & Mach	
Total	

Note 24: Extraordinary items

Particulars	For the year ended 31 March, 2017
	₹
Total	-

Note 25: Earning Per Share

Particulars	For the year ended 31 March, 2017
Net Profit as per statement of profit and loss before extraordinary item (₹)	14,24,78,383
Weighted average number of equity shares outstanding during the year (Nos.)	1,32,95,855
Earning per equity share (Nominal value per share ₹10/- each)	
Basic and diluted	11.31
Net Profit as per statement of profit and loss after extraordinary item (₹)	14,24,78,383
Weighted average number of equity shares outstanding during the year (Nos.)	1,32,95,855
Earning per equity share (Nominal value per share ₹10/- each)	
Basic and diluted	11.31

NOTE 26: CORPORATE INFORMATION

Fiberweb (India) Limited is a listed entity incorporated in India.

The address of its registered office and principal place of business are disclosed in the introduction to the Annual Report.

NOTE '27': SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

I. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

- a. The consolidated financial statements have been prepared on the historical cost convention using the accrual basis of accounting in accordance with the accounting principles generally accepted in India and are in accordance with the applicable Accounting Standards, Guidance Notes and the relevant provisions of the Companies Act, 2013.
- b. Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.

II. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to Fiberweb (India) Limited ("the Company") and its subsidiary company. The consolidated financial statements have been prepared on the following basis:-

- a. The financial statements of the Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements".
- b. In case of foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange rate difference arising on consolidation will be recognized in the Exchange Fluctuation Reserve.
- c. The investment in the subsidiary is stated at cost.
- d. As the subsidiary is wholly owned (100%), there is no minority interest in the group.
- e. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as Company's separate financial statements.

III. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

NOTE '28': OTHER SIGNIFICANT ACCOUNTING POLICIES

- i) These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.
- ii) Being first year of consolidation, figures of the previous year could not be given.

As per our report of even date
For A.V.Jobanputra & Co.
 Chartered Accountants
 Firm Registration No: 104314W

A.V.Jobanputra
 Proprietor
 Membership No. 016352

Place : Mumbai
 Date : 10th August 2017

For and on behalf of the Board of Directors

Pravin V. Sheth
 Chairman & Managing Director

Nital Gandhi
 Company Secretary
 Place : Mumbai
 Date : 10th August 2017

G. Ravindran
 Executive Director

P.S. Krishnan
 Chief Financial Officer