

MANAGEMENT'S DISCUSSION AND ANALYSIS

INDUSTRY- STRUCTURE AND DEVELOPMENT:

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

The year 2018-19 has been very progressive and it is hoped to scale greater heights.

BUSINESS OUTLOOK:

The Company sees several opportunities for profitable growth in the areas of value added products, and a growing demand both in the international and domestic markets. Strong quality product development and marketing efforts have enabled the Company to stay ahead. The Company has also improved its geographic presence by enlarging its position in Europe and the USA.

OPPORTUNITIES AND RISKS:

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

Lack of Govt. backing, frequent policy change, constrains increase in ocean freight and PP prices are major constrains.

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

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

In view of very good order book position the Board will be considering expansion and /or diversification plan.

RISK MANAGEMENT

Risk Management is an important business aspect in the current economic environment and its objective is to identify, monitor and take mitigation measures on a timely basis in respect of the events that may pose risks for the business.

The Company has a robust Risk Management Policy and Procedure in place for effective identification and monitoring of risks and implementation of mitigation plans. The Risk Management Committee reviews and monitors the identified risks and mitigation plans at regular interval. Some of the risks identified and analysed by the Management are as under:

The Audit Committee and the Board are apprised of the significant risks and mitigation efforts made by the Management in its quarterly meetings.

SEGMENT REPORTING:

Your Company's main business is "Polymer Processing" and all other activities of the company revolve around this main business. As such there are no separate reportable segments within the Company and hence, the segment wise reporting as defined in Ind AS 108 – Operating Segments (Accounting Standards 17) is not applicable to the Company.

HUMAN/INDUSTRIAL RELATIONS:

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

The Number of permanent employees on the rolls of the Company as on 31st March, 2019 was 155 Nos. as against 169 Nos. on 31st March, 2018.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The company maintains adequate internal control systems, which provide among other things, reasonable assurance of recording the transaction of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets. Apart from self monitoring of internal controls, Internal Auditors have expressed their satisfaction about the adequacy of the control systems and the manner in which the Company is updating / upgrading its systems and procedures.

The Audit Committee takes due cognizance of the observations made by the auditors and gives their suggestions for improvement. The suggestions of the Audit Committee further ensure the quality and adequacy of the control systems.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Highlights:

(₹ In Lakhs)

	2018-19		2017-18	
	Standalone	Consolidated	Standalone	Consolidated
Sales and other Receipts	15331.77	19791.43	20606.83	28616.89
Gross Profit / (Loss) before depreciation	2601.06	2931.70	2988.80	3955.77
Less: Depreciation	454.13	454.13	324.86	324.86
Profit from regular Activities	2146.93	2477.57	2663.94	3630.91
Extra ordinary items (Net)	1568.93	1568.93	0	0
Profit/ (Loss) before and after taxation	578.00	908.64	2663.94	3630.91
Earning Per Share	2.01	3.16	9.25	12.61
	-	-	(After 1:1 Bonus 20/01/2018)	

FIBERWEB (INDIA) LIMITED

During this year the earning per share (Standalone) of the face value of shares ₹ 10.00 each has come down from ₹ 9.25 to ₹ 2.01(Basic as well as diluted). The earning per share (Consolidated) of the face value of shares ₹ 10.00 each has come down from ₹ 12.61 to ₹ 3.16 (Basic as well as diluted).

CAUTIONARY STATEMENT:

Statement in this report on management Discussion and Analysis describing the company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the

Company's operations include global and domestic demand and supply conditions, finished goods prices, raw material costs and availability, change in Government regulations and tax structure, economic developments within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

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

On behalf of the Board

PRAVIN V. SHETH
Chairman Emeritus

Place: Mumbai

Date: 14th August, 2019

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