



# **Urbaknitt Fabs Limited**

(Formerly known as Pankaj Polypack Limited)

**5<sup>th</sup> ANNUAL REPORT  
2015 - 2016**

| S.No. | Contents   | Page No.s |
|-------|--|-----------|
| 1.    | CORPORATE INFORMATION .....                            | 2 - 2     |
| 2.    | NOTICE TO THE MEMBERS .....                            | 3 - 8     |
| 3.    | DIRECTORS' REPORT & ANNEXURE .....                     | 9 - 15    |
| 4.    | ANNEXURE (I, II, III, IV) .....                        | 16 - 41   |
| 5.    | REPORT ON CORPORATE GOVERNANCE (ANNEXURE V - VI) ..... | 42 - 64   |
| 6.    | AUDITOR'S REPORT .....                                 | 65 - 71   |
| 7.    | BALANCE SHEET .....                                    | 72 - 72   |
| 8.    | PROFIT & LOSS ACCOUNT .....                            | 73 - 73   |
| 9.    | CASH FLOW STATEMENT .....                              | 74 - 74   |
| 10.   | SCHEDULES & NOTES TO ACCOUNTS .....                    | 75 - 85   |
| 11.   | ATTENDANCE SLIP & PROXY FORM .....                     | 86 - 88   |

### Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by Companies through electronic mode. In accordance with the circulars issued by the Ministry, Companies can now send various notices and documents including annual report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants and in respect of physical holdings with the Company.

## **CORPORATE INFORMATION**

### **Board of Directors**

|                          |   |                              |
|--------------------------|---|------------------------------|
| Shri. Manoj Kumar Dugar  | - | Chairman & Managing Director |
| Shri. Pankaj Goel        | - | Director                     |
| Shri. Niraj Goel         | - | Director                     |
| Shri. Vijay S.K. Surana  | - | Director (w.e.f: 31.03.2015) |
| Shri. Dilip Kumar Surana | - | Director (w.e.f: 01.07.2015) |
| Shri. Manoj Kumar        | - | Director (w.e.f: 01.07.2015) |
| Shri. Arvind Surana      | - | Director (w.e.f 17.12.2015)  |
| Smt. Renu Dugar          | - | Director( w.e.f 17.12.2015)  |

### **Audit Committee**

|                          |   |          |
|--------------------------|---|----------|
| Shri. Manoj Kumar        | - | Chairman |
| Shri. Vijay S.K. Surana  | - | Member   |
| Shri. Dilip Kumar Surana | - | Member   |
| Shri. Manoj Kumar Dugar  | - | Member   |

### **Registered Office**

Plot No- 10 & 11, MCH No 1-8-304to 307/10  
Pattigadda Road, Hyderabad- 500003  
Telangana

### **Auditors**

M/s Luharuka & Associates  
5-4-184/3&4, Soham Mansion, 2nd Floor,  
M.G. Road, Secunderabad, Telangana-500003

### **Internal Auditors**

Suresh Chand Agrawal  
No.6, 2nd Floor, Hydri Complex, 5-5-109 to 132,  
Pan Bazar Road, Ranigung, Secundrabad-500003

### **Secretarial Auditors**

Y Koteswara Rao  
H.No.48-345,GaneshNagar Colony, Chintal,  
HMT Road, Hyderabad, Telangana-500054

### **Listing**

BSE Limited (BSE)  
Mumbai

### **Works**

Plot No. 14, CIE, Expansion, Programme Gandhi Nagar,  
Balangar, Hyderabad, Telangana- 500037.

### **Nomination and Remuneration Committee**

|                          |   |          |
|--------------------------|---|----------|
| Shri. Dilip Kumar Surana | - | Chairman |
| Shri. Vijay S.K. Surana  | - | Member   |
| Shri. Manoj Kumar        | - | Member   |

### **Stakeholder Relationship Committee**

|                          |   |          |
|--------------------------|---|----------|
| Shri. Manoj Kumar        | - | Chairman |
| Shri. Dilip Kumar Surana | - | Member   |
| Shri. Manoj Kumar Dugar  | - | Member   |

### **Company Secretary and Compliance officer**

Mr. D. Giridhar Reddy

### **Bankers**

Industrial Development Bank of India Limited  
H.No.3-3-54/A, Kachiguda Station Road,  
Hyderabad, Telangana-500027

### **Share Transfer Agents**

M/s Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Finance District, Nanakramguda,  
Hyderabad, Telangana-500032

## NOTICE

Notice is hereby given that the 5th Annual General Meeting of the members of M/s Urbaknitt Fabs Limited (formerly Known as Pankaj Polypack Limited) will be held on Friday, the 30th day of September 2016 at 11:00 A.M. at Lions Bhavan, IIIrd Floor, 1-8-179, Lakhapath Building, Behind HDFC Bank, Paradise Circle, Secunderabad-500003 to transact the following items of business:

### ORDINARY BUSINESS:

1. To Receive, Consider and Adopt the Audited Balance Sheet as at 31st March, 2016 and the Profit and Loss Account for the year ended 31st March, 2016, together with the reports of the Directors' and Auditors' thereon.
2. To appoint M/s. Luharuka & Associates, Chartered Accountants, Hyderabad (Reg. No.01882S) as Auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize the Board of Directors of the Company to fix their remuneration.

### SPECIAL BUSINESS:

#### 3. **Appointment of Shri. Rajesh Kumar Dugar as a Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and the Rules framed thereunder, read with Schedule IV of the Act and Regulation 18, 26 & 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the members of the Company be and is hereby accorded to appoint Shri. Rajesh Kumar Dugar, (DIN 00730059), who was appointed as an Additional Director of the Company by the Board of Directors in terms of section 161 of the Act and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

By Order of the Board  
For Urbaknitt Fabs Limited  
(Formerly known as Pankaj Polypack Limited)

Date: 29.08.2016  
Place: Secunderabad

Sd/-  
Manoj Kumar Dugar  
Managing Director  
(DIN 00352733)

## NOTICE

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself/herself. Such a proxy need not be a member of the company.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed **from Saturday, 24th September, 2016 to Friday, 30th September, 2016 (both days inclusive).**
4. Statement as required under Section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
5. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email id, ECS mandate. In case you are holding Company's shares in physical form, please inform Company's STA viz. M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Telangana by enclosing a photocopy of blank cancelled cheque of your bank account.
6. M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Telangana, the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.  
  
Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. upto the date of the meeting.
9. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting.
10. Members who hold shares in physical form can nominate a person in respect of all the shares

held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / STA.
12. Electronic copy of the Annual Report for 2015-16 which includes Notice of the 5th Annual General Meeting, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 is being sent in the permitted mode.
13. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014, the company is pleased to offer e-voting facilities to the members to cast their votes electronically on all resolutions set forth in this notice.

Members who do not have e-voting facility can take the benefit of ballot form enclosed herewith.

Complete instructions on e-voting and ballot are annexed herewith and forms part of this notice.

The instructions for e-Voting are as under:

- a) Launch internet browser by typing the following URL: <https://evoting.karvy.com>.
- b) User ID and Password for e-voting is provided in the table given at the bottom of this document.
- c) Click on Shareholder - Login.
- d) Enter user ID and password as initial password /PIN. Click login.
- e) The Password Change Menu will appear on your screen. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
- g) Select the "EVEN" (e-voting Event Number) of Pankaj Polypack Limited.
- h) Now you are ready for e-voting as Cast Vote page opens.

- i) Cast your vote by selecting an appropriate option and click on "Submit" and also "Confirm" when prompted.
- j) Upon confirmation, the message "Vote cast successfully" will be displayed.
- k) Once you have voted on the resolution, you will not be allowed to modify your vote.
- l) Corporate/ Institutional shareholders (i.e. other than individuals, HUFs, NRIs etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(i.e) who are authorized to vote, to the Scrutinizer through e-mail to: info@urbaknitt.com with a copy marked to evoting@karvy.com.
- m) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of <https://evoting.karvy.com> alternatively you can also contact evoting@karvy.com for any queries or grievances connected with remote e-voting service.

#### Other Instructions:

- (i) If you are already registered with Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited (Karvy) for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- (ii) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- (iii) The facility of the Ballot paper shall be made available at the meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting.
- (iv) Members who have acquired shares after the dispatch of Notice of AGM and holding shares as on cut-off date i.e. Friday, 23rd September, 2016, may obtain the user ID and Password by sending a request at evoting@karvy.com.

However, if you are already registered with Karvy Computershare Private Limited for remote e-voting, then you can use your existing user ID and Password /PIN for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/ Password" option available on <https://evoting.karvy.com> or contact Karvy at (040) 6716 1606 or at toll free number 1800 3454 001. Alternatively, you can also contact on evoting@karvy.com for any queries or grievances connected with remote e-voting service.

- (v) The remote e-voting period shall commence on Tuesday, 27th of September, 2016 (9.00 a.m. IST) and ends on Thursday, 29th September, 2016 (5.00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 23rd of September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy Computershare Private Limited for voting thereafter. Once the vote on a resolution is

cast by the shareholder, Member shall not be allowed to change it subsequently.

- (vi) Mr. Y Koteswara Rao, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process, in a fair and transparent manner.
- (vii) The scrutinizer shall, immediately after the conclusion of voting at the 05th AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in presence of at least two (2) witnesses not in the employment of the Company and make within a period not exceeding three (3) days from conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman & Managing Director of the Company or person authorized by him of the Company.
- (viii) The results shall be declared after receiving consolidated Scrutinizer's Report from the Scrutinizer. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.urbaknitt.com](http://www.urbaknitt.com) and on the websites of Company's Registrar and Share Transfer Agent, Karvy Computer share Private Limited (Karvy) <https://evoting.karvy.com> immediately after the declaration of the results by the Chairman & Managing Director or person authorized by him and forwarded to the BSE Limited (Stock Exchange) where the shares of the Company are listed.
- (ix) The resolutions passed by members through e-voting is / are deemed to have been passed, as if, they have been passed at the AGM.

### **Explanatory statement in respect of the special business pursuant to section 102(1) of the Companies Act, 2013**

#### **Item No. 3:**

In order to comply with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have appointed Shri. Rajesh Kumar Dugar as an Additional Director of the Company, in the capacity of Executive Director, with effect from 29th August, 2016.

Under Section 161(1) of the Companies Act, 2013 Shri. Rajesh Kumar Dugar holds office only up to the date of this Annual General Meeting of the Company. A notice has been received from a member proposing his candidature for the office of Director of the Company, under section 160 of the Companies Act, 2013. Shri. Rajesh Kumar Dugar is holding 2,76,975 shares in the Company.

His other directorships include as follows:

| S.No. | Name of the Company                 | CIN                   | Date of Appointment |
|-------|-------------------------------------|-----------------------|---------------------|
| 1.    | Dugar Polymers Limited              | U17119GJ2003PLC042041 | 20/03/2007          |
| 2.    | Ayushman Merchants Private Limited  | U51909TG2007PTC097280 | 13/02/2009          |
| 3.    | Ayushman Solutions Private Limited  | U25203TG2013PTC086170 | 06/03/2013          |
| 4.    | Morbido Merchandise Private Limited | U17100TG2016PTC110537 | 27/06/2016          |



The Board considers that his appointment would be of immense benefit to the Company. In accordance with the provisions of Companies Act, 2013, appointment of Director requires approval of members.

The Board recommends the Resolution for approval of the members as an Ordinary Resolution.

Except Shri. Rajesh Kumar Dugar, being an appointee, Shri. Manoj Kumar Dugar and Smt. Renu M Dugar the relatives, none of the other Directors and Key Managerial Personnel of the Company is concerned or interested, financial or otherwise, in this resolution.

By Order of the Board  
For Urbaknitt Fabs Limited  
(Formerly known as Pankaj Polypack Limited)

Place: Secunderabad  
Date: 29.08.2016

sd/-  
Manoj Kumar Dugar  
Managing Director  
(DIN 00352733)

## DIRECTORS' REPORT

**Dear Shareholders,**

Your Directors are pleased to present herewith the 5th Annual Report on the business and operations of the Company and the Audited Accounts for the year ended 31st March, 2016.

### 1. Financial Results and Operations

The summarized financial results for the year ended 31st March, 2016 as compared with the previous year are as under:

| ₹ in Lakhs |  |                         |                         |
|------------|--|-------------------------|-------------------------|
| S.No.      | Particulars                                      | For the year<br>2015-16 | For the year<br>2014-15 |
| a.         | Sales  | 374.79                  | 414.42                  |
| b.         | Profit/ Loss before Interest, Depreciation & Tax | (17.37)                 | 22.55                   |
| c.         | Less: Interest                                   | 0.01                    | 0.01                    |
| d.         | Less: Depreciation                               | 13.58                   | 13.30                   |
| e.         | Profit before Tax                                | (30.96)                 | 5.24                    |
| f.         | Less: Tax  | -                       | 4.00                    |
| g.         | Add: Deferred                                    | 0.75                    | (2.20)                  |
| h.         | Net Loss   | (31.71)                 | (0.96)                  |

During the year under review the company has achieved a turnover of Rs.374.79 Lakhs as against Rs.414.42 Lakhs in the previous year. During the Year the company incurred a Net loss before tax of Rs.30.96 Lakhs as against a profit of Rs.5.24 Lakhs in the previous year.

### 2.Dividend

Due to losses incurred, the Company has not recommended any dividend for the year under review.

### 3.Fixed Deposits

The Company has not accepted any fixed deposits from the public and no amount of principal or interest on public deposits was outstanding as on the balance sheet date within the meaning of section 73 and section 74(1) of the Companies Act, 2013 and Rule 2(c) of Companies (Acceptance of Deposits) Rules, 2014.

### 4.Transfer to Reserves

No amount was transferred to the Reserves for the year ending 31.03.2016 since the company has incurred losses during the period.

### 5. Changes In MOA and AOA

During the year the Company has altered its objects and increased its Authorised Share Capital from existing Rs.3,50,00,000 (Rupees Three Crores Fifty Lakhs) divided into 35,00,000/- (Thirty Five Lakhs) Equity Shares of Rs.10/- each to Rs.5,00,00,000 (Rupees Five Crores) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs.10/- each by creation of additional 15,00,000