



URBAKNITT FABS LIMITED

(Formerly Known as PANKAJ POLYPACK LIMITED)

**7th Annual Report
2017-18**

S.No	CONTENTS	Page No
1	NOTICE TO THE MEMBERS	2
2	DIRECTORS' REPORT	
3	REPORT ON CORPORATE GOVERNANCE	
4	AUDITOR'S REPORT	
5	BALANCE SHEET	
6	PROFIT & LOSS ACCOUNT	
7	CASH FLOW STATEMENT	
8	SCHEDULES & NOTES TO ACCOUNTS	
9	ATTENDANCE SLIP & PROXY FORM	

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 made. 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 made 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.



Board of Directors

Shri. Manoj Kumar Dugar	Chairman & Managing Director
Shri. Rajesh Kumar Dugar	Director
Dilip Kumar Surana	Director
Shri. Naresh Kathotia	Director
Shri Arvind Surana	Director
Smt Renu Dugar	Director

Audit Committee:

Shri. Naresh Kathotia	Chairman
Shri Dilip Kumar Surana	Member
Shri. Manoj Kumar Dugar	Member

Registered Office

Shyam Arihant, Plot No- 10 & 11,
MCH No 1-8-304 to 307
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 Auditor

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

Secretarial Auditor

Y Koteswara Rao
H.No.48-345, Ganesh Nagar Colony,
Chinthal, 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. Arvind Surana - Member
Shri. Naresh Kathotia - Member

Stakeholder Relationship Committee

Shri. Arvind Surana - Member
Shri. Dilip Kumar Surana - Chairman
Shri. Naresh Kathotia - 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 7th Annual General Meeting of the members of M/s Urbaknitt Fabs Limited (formally Known as Pankaj Polypack Limited) will be held on Saturday, the 29th day of September 2018 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 consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and the Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2018 and the report of Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:
 - (a) **“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
 - (b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2018 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
2. To appoint M/s. Luharuka & Associates, Chartered Accountants, Hyderabad (Reg. No.01882S) as Statutory Auditors of the Company to hold office from conclusion of 7th Annual General Meeting until the conclusion of the 12th Annual General Meeting and authorize the Board of Directors of the Company to fix their remuneration by passing an Ordinary Resolution.
3. To appoint a Director in place of Mrs. Renu Dugar (DIN: 00235675), who retires by rotation and, being eligible, seeks re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:
“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Renu Dugar (DIN: 00235675), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

4. **Advance Loans, provide guarantee/security and make investment in excess of the prescribed limit:**
 To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED THAT pursuant to provision of section 186 of Companies Act, 2013 and other applicable provisions, if any, the consent of the members of the company be and is hereby accorded to give loans, provide guarantee/security and make investments in excess of the prescribed limit of a sum not exceeding Rupees 100 crore (Rupees One Hundred Crore) by way of giving loans, guarantees to associate Companies and/or other Body Corporate, providing guarantee/security for and/on behalf of its Subsidiary Company and invest by way of subscription and/or purchase of Shares /Debentures/Bonds, notwithstanding that such investments or such investments together with the Company’s existing investments in all other body corporate shall be in excess of the limits prescribed under section 186 of the Act.



5. Loans to Directors/Interested Parties:

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions if any, of the Companies Act, 2013 and rules made there under and as may be amended from time to time (‘the Act’), consent of the members of the Company, be and is hereby accorded to grant loan or give guarantee or provide security in respect of any loan to any associate , subsidiary , group company or any other company in which Directors of the company are interest , up to an amount of Rs. 100 crore, from time to time and that the resolution is subject to Section 185 being amended with provisions enabling granting of such loan, giving guarantee or providing security in respect of any loan to any associate , subsidiary , group company or any other company in which Directors of the company are interest.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.”

6. Related Party Transactions:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of the SEBI(LODR) read together with Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meeting of Board and its Power) Rule, 2014 and other applicable provisions (if any) of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), subject to compliance of all applicable laws and regulations, the consent of members of the Company by means of Special Resolution be and is hereby accorded to the Board of Directors to ratify existing contracts and enter into contracts and/or arrangements with any company in which Directors, associates their relatives and associated companies/persons as defined under the Act the details of which are mentioned in the Explanatory Statements of this resolution and as board of directors deems fit to sell, purchase or supply of any goods or materials and to render or avail any service of any nature upto Rupees 100 crore (Rupees One Hundred Crore) or such other amount, as the Board in its discretion deem proper, as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for the purpose of identification and in such form and manner as it may deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.”

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

**Place: Secunderabad
Date: 01.09.2018**

**Sd/-
Giridhar Reddy Damegunta
Company Secretary**



Notes:

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, 23rd September, 2018 to Friday, 29th September, 2018 (both days inclusive).**
4. Statement as required under Section 102 of the Companies Act, 2013, in respect of special business is not applicable.
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. up to 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 2017-18 which includes Notice of the 7th 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 2017-18 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(ies) 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, 22nd September, 2017**, 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 **Wednesday, 26th of September, 2018 (9.00 a.m. IST) and ends on Friday, 28th September, 2018 (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, 22nd of September, 2018**, 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. Naresh Tiwari, 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 07th 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 and on the websites of Company’s Registrar and Share Transfer Agent, Karvy Computershare 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.
- (xi) The resolutions passed by members through e-voting is / are deemed to have been passed, as if, they have been passed at the AGM.
- (x) Securities of listed companies can be transferred only in dematerialised form from December 5, 2018 as notified by SEBI on June 8, 2018. In view of this and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

Annexure to the Notice dated 1st September 2018

Details of Directors retiring by rotation / seeking re-appointment at the Meeting

Name of Director	RENU DUGAR
Date of Birth	08/02/1971
Qualifications	Graduate
Date of first appointment on the Board	17/12/2015
Relationship with other Directors/Key Managerial Personnel	Wife of Mr. Manoj Kumar Dugar, Chairman and Managing Director. There are no inter-se relationship between the other Board members and Key Managerial Personnel
Number of meetings of the Board attended during the financial year (2017-18)	5 (Five)
Expertise in specific functional area	Investment



Profile	She has an active participation in one of the investment company of the Group, Defodil Dealcom Private Limited. Having positive approach, she has been a strong pillar to the Dugar Family and its business. Apart from taking care of the family, she ensures the smooth working of the day to day affairs of the organization.
Board membership of other Indian Companies as on March 31, 2018	2 (Two)
Chairman/member of the Committee of the Board of Directors of the Company	NIL
Membership / Chairmanship of Committees of other Boards as on March 31, 2018	NIL
Number of shares held in the company as on March 31, 2018	215360 equity shares of Rs. 10/- constituting to 7% of the paid up capital of the company.

Explanatory Statement as required under Section 102 of the Companies Act, 2013.

In respect of Item No. 4:

As on date the Company deals in the core business of shade nets, safety nets and technical fibres, therefore the need arises to make investments which may exceed the prescribed limit u/s 186 of Companies Act, 2013. Since the Company wants to utilize its full potential of growth and development by investing its funds in excess of prescribed limit specified in section 186 of the Act, approval of the shareholders of the Company is required by way of Special Resolution to give loans, provide guarantee/security and/or invest in the Shares/Debentures/Bonds of other Body Corporate which shall exceed the limits prescribed under specified section. The Board of Directors Recommend the Special Resolution for approval by the members.

None of the Directors except Mr. Manoj Kumar Dugar and Mrs. Renu Dugar are concerned or interested in this Resolution.

In respect of Item No. 5:

The Company has promoted a subsidiary company. The Company holds 99.70% of the equity capital that company. The Subsidiary is in its initial state of operations, it would require funds for its business operations. It is proposed to grant loan or give guarantee or provide security in respect of any loan granted to the subsidiary for its principal business activities. Section 185 of the Companies Act, 2013 in its current form, restricts granting of loan or giving guarantee or security in connection with a loan to certain category of persons.

However, the Companies (Amendment) Bill, 2016 which was placed before the Hon'ble Lok Sabha on 16th March, 2016 has proposed substitution of Section 185 the provisions of which, subject to members' approval, allows granting of loans or giving guarantee or security in connection with a loan. The resolution is subject to the Companies (Amendment) Bill, 2016 (with or without modifications) becoming an act and that Section 185 being amended with provisions enabling granting of such loan, giving guarantee or providing security in respect of any loan. Accordingly, the Board of Directors at its meeting held on 1st September, 2018, have recommended the Special Resolution at Item No. 5 for members' approval for granting such loan or giving guarantee or providing security in connection with any such loan to its subsidiary.

None of the Directors except Mr. Manoj Kumar Dugar and Mrs. Renu Dugar are concerned or interested in this Resolution.

In respect of Item No. 6:

The Provision of Section 188(1) of the Companies Act, 2013 that govern Related Party Transactions require a company to obtain prior approval of the Board of Directors and where the value of transactions entered or to be entered into exceeds the threshold limits as mentioned in the said section, prior approval of Shareholders by way of Special Resolution is required. Further third proviso of Section 188(1) provides that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

