

PUNIT COMMERCIALS LTD

33RD
ANNUAL REPORT
2017 – 18

PUNIT COMMERCIALS LTD

BOARD OF DIRECTORS

Mr. Nirav Mehta – Managing Director
Mr. Sujit Mehta – Independent Director
Mrs. Purnima Mehta – Director
Mrs. Fatima D’Souza – Chief Financial Officer

REGISTERED OFFICE

AW 2022, “A” Tower, 2nd Floor,
Bharat Diamond Bourse,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Tel: 022 4210 6999 Fax: 022 4002 1401
Email Id: fatimad@punitcommercials.com

AUDITORS

M/s. Diwan Gosalia & Associates,
Chartered Accountants
Office No. 5, 1st Floor, OM Plaza,
V. L. Road, Opp. Railway Station,
Kandivali (West), Mumbai – 400 067

BANKERS

1. Oriental Bank of Commerce
2. Bank of Baroda
3. Bank of India
4. IndusInd Bank
5. ICICI Bank

REGISTRAR AND TRANSFER AGENT

Sharex Dynamic (India) Private Limited,
Unit – 1, Luthra Industrial Premises,
Andheri – Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400 072
Tel: 022 – 2851 5606 / 2851 5644 Fax: 022 – 2851 2885
Email: investor@sharexindia.com
Website: www.sharexindia.com

33RD ANNUAL GENERAL MEETING

On Saturday, 11th August, 2018
At 10.00 a.m. at
AW 2022, “A” Tower, 2nd Floor, Bharat Diamond Bourse,
Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

PUNIT COMMERCIALS LIMITED

Diamond Manufacturers, Importers & Exporters

NOTICE

NOTICE is hereby given that the Thirty – Third Annual General Meeting of the members of PUNIT COMMERCIALS LIMITED will be held on Saturday, 11th August, 2018 at 10.00 a.m. at AW 2022, "A" Tower, 2nd Floor, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Annual Financial Statement of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Nirav P. Mehta (DIN No: 00518614), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditors

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Diwan Gosalia & Associates, Chartered Accountants, Mumbai having ICAI Firm Registration No. 111881W, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Company's financial year 2018 – 2019, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and re-imbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

SPECIAL BUSINESS:

4. To adopt new set of Articles of Association of the Company and in this regard, to consider, and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

NOTES:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Annual General Meeting (the AGM or Meeting) is annexed herewith.
2. **In terms of provisions of Section 105 of the Companies Act, 2013, A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a Member of the Company. The instrument appointing a proxy, in order to be effective, should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting i.e. by 10.00 a.m. on Thursday, 09th August, 2018. As per Secretarial Standard 2 on General Meeting, the proxy should carry a valid photo-id card to the venue to tender vote.**
3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company shall remain closed on all days from Saturday, 04th August, 2018 to Saturday, 11th August, 2018, both days inclusive.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.

10. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready. Members can also email their queries at the email address of the Compliance Officer, Mrs. Fatima D'Souza (fatimad@punitcommercials.com)
11. Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar and Share Transfer Agent, Sharex Dynamics (India) Private Limited.
12. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH – 13 for this purpose.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the Company's Registrar and Transfer Agents for receiving communication from the Company in electronic form. Members of the Company, who have registered their e-mail ID, are entitled to receive such communications in physical form upon request.
14. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s), unless the Members have registered their request for a physical copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
15. Information required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 on General Meeting relating to Documents & Information to Shareholders with respect to the Director retiring by rotation and being eligible, seeking re-appointment are as under:

Name	Mr. Nirav Mehta
Director Identification Number(DIN)	00518614
Date of Birth	02/10/1973
Nationality	Indian
Date of Appointment	31/10/1994
Qualifications	B.Com
Shareholding in Punit Commercials Limited	49,550 shares
Expertise in specific functional areas	He is a Graduate in commerce and is in the Diamond Business for the past 10 years. He has gained knowledge in Manufacturing and Marketing of Cut & Polished Diamonds, Rough Diamonds, Studded Jewellery. He

	looks after the purchasing of Rough Diamonds and selling of polished diamonds in domestic market.
Directorships in other Public Limited Companies	NIL
Memberships of Committees in other Public Limited Companies (includes only Audit & Shareholders / Investors Grievances Committee)	NIL

By order of the Board
For Punit Commercials Limited



Nirav Mehta
Nirav Mehta
Managing Director

Place: Mumbai
Date: 30th May, 2018

ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4 – ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY

The existing Articles of Association (AOA) of the Company are based on the provisions of the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956.

In order to make the Articles of Association of the Company in tandem with the relevant sections/provisions under the Companies Act, 2013 and rules made thereunder, it is proposed to replace the existing Articles of Association of the Company by a new set of AOA. Accordingly, in lieu of amendments to various articles in the existing Articles of Association, it is considered prudent and desirable to adopt a new set of Articles of Association of the Company, in substitution for, and to the exclusion of the existing Articles of Association of the Company. The new AOA to be substituted in place of the existing AOA are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares.

Pursuant to Section 14 of the Companies Act, 2013, the consent of the members of the Company by way of a Special Resolution is required for adoption of a new set of Articles of Association of the Company. Accordingly, this matter has been placed before the members for approval.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 4 of the Notice.

A copy of the existing as well as new Articles of Association of the Company is available for inspection at the Registered Office of the Company during working hours on any working day upto the date of the Annual General Meeting.



By order of the Board
For Punit Commercial Limited

Nirav Mehta
Managing Director

Place: Mumbai
Date: 30th May, 2018

PUNIT COMMERCIALS LIMITED

Diamond Manufacturers, Importers & Exporters

BOARD'S REPORT

TO THE MEMBERS OF
PUNIT COMMERCIALS LIMITED

The Directors take pleasure in presenting the Thirty – Third Annual Report together with the Audited Financial Statements for the year ended 31st March, 2018.

1. FINANCIAL RESULTS

Key highlights of Financial Results for Punit Commercials Limited for the financial year 2017 – 18 is tabulated below:

Particulars	(Amount in Rs.)	
	Year Ended 31 st March, 2018	Year Ended 31 st March, 2017
Revenue from Operations	18,50,69,595	8,15,76,041
Other Income	(13,79,620)	(5,73,306)
Total Revenue	18,36,89,975	8,10,02,735
Less: Expenses		
Purchase of Stock – in – Trade	16,89,93,786	7,69,10,350
Changes in the inventories of finished goods Work – In – Progress and Stock – in – Trade	1,31,73,711	(17,40,914)
Employee Benefits Expense	11,97,660	10,05,660
Finance Costs	6,09,273	12,74,085
Depreciation and Amortization Expense	11,306	1,07,058
Other Expenses	18,37,581	18,91,352
Total Expenses	18,58,23,316	7,94,47,591
Profit / Loss Before Tax	(21,33,341)	15,55,144
Less: Tax Expenses		
Current Tax	0	3,05,000
Deferred Tax	(2,382)	(3,872)
Excess Provision of earlier years	10,370	0
Profit / Loss After Tax	(21,41,329)	12,54,016
Balance brought forward from last year	1,16,17,594	1,03,13,465
Balance carried forward to the Balance Sheet	94,76,265	1,16,17,594

2. HIGHLIGHTS OF PERFORMANCE

- Total income for the year increased by 126.77% to Rs. 18,36,89,975/- as compared to Rs. 8,10,02,735/- in the financial year 2016 – 17.
- Total net sales for the year increased by 126.87% to Rs. 18,50,69,595/- as compared to Rs. 8,15,76,041/- in the financial year 2016 – 17.
- Total profit before tax for the year was Rs. (21,33,341)/- as compared to Rs. 15,55,144/- in the financial year 2016 – 17.

3. **MD AND CFO CERTIFICATION**

Certificate from Mr. Nirav P. Mehta, Managing Director and Ms. Fatima C. D'souza, CFO, pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year under review was placed before the Board of Directors of your Company at its meeting held on 30th May, 2018.

4. **BUSINESS OPERATIONS**

Your Company is earning non – operating revenue from advancing loan and deposits.

5. **APPLICABILITY OF INDIAN ACCOUNTING STANDARDS**

Your Company had adopted Ind-AS with effect from 01st April, 2017 pursuant to a notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, notifying the Companies (Indian Accounting Standard) Rules, 2015. Your Company has published Ind-AS Financials for the financial year ended 31st March, 2018 along with comparable as on 31st March, 2017 and Opening Statement of Assets and Liabilities as on 1st April, 2017.

6. **DIVIDEND**

With a view to deploy the profits into the existing operations of your Company, Board of Directors has not recommended any dividend for the year.

7. **TRANSFER TO RESERVES**

The Board of Directors has not recommended transfer of any amount to reserves.

8. **CAPITAL EXPENDITURE**

There was no Capital Expenditure during the year.

9. **SHARE CAPITAL**

The paid up Equity Share Capital as on 31st March, 2018 was Rs. 24 Lakhs. During the year under review, your Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. There was no change in your Company's share capital during the year under review. The Promoter and Promoter Group are holding 1,35,730 shares equivalent to 56.55% of the total Issued and Paid-up Share Capital.

10. **DEPOSITS**

Your Company has not accepted deposit from the public and shareholders falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement for furnishing details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

12. SUBSIDIARY COMPANIES

Your Company has no Subsidiary Company.

13. DIRECTORS

13.1 Retirement by Rotation

Pursuant to Section 152(6) of the Companies Act, 2013 and in terms of the Articles of Association of your Company, Mr. Nirav Mehta, Director, retires by rotation at the forthcoming Annual General Meeting. Being eligible, he offers himself for re-appointment.

13.2 Annual Board Evaluation

According to Regulation of 25(3) of the SEBI (LODR) Regulations, 2015 and Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017 issued by SEBI on Guidance Note on Board Evaluation, a meeting of the Board of Directors was held on 14th February, 2018 to inter alia, evaluate the performance of the Non – Independent Directors, including the Chairman.

13.3 Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of your Company pursuant to Section 2(51) and Section 203 of the Act, read with Rule 8(5)(iii) of the Companies (Accounts) Rules, 2014 framed thereunder.

1. Mr. Nirav Mehta, Managing Director
2. Mrs. Fatima Dsouza, CFO

None of the Key Managerial Personnel have resigned during the year under review.

13.4 Remuneration Policy

The Board has in accordance with the provisions of Section 178(3) of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management Employees. The detail of the same has been disclosed in the Corporate Governance Report.

13.5 Board Meetings

A calendar of Board Meetings is prepared and circulated in advance to the Directors.

During the year your Company has held 4 (Four) Board Meetings which were held on 30th May, 2017; 28th July, 2017; 13th November, 2017 and 14th February, 2018. The maximum interval between any two meetings did not exceed 120 days.

14. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the Annual Financial Statements for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2018 and of the loss of your Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) that the Annual Financial Statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. PLEDGE OF SHARES

None of the equity shares of the Directors of your Company are pledged with any banks or financial institutions.

16. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by your Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of your Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all

related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

None of the Directors has any pecuniary relationships or transactions vis-à-vis your Company.

17. COMPLIANCE OF SECRETARIAL STANDARDS

During the year under review, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations.

19. DISCLOSURES UNDER SECTION 134 (3) (I) OF THE COMPANIES ACT, 2013

No material changes and commitments which could affect your Company's financial position have occurred between the end of the financial year of your Company and date of this report.

20. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company firmly believes in providing a safe, supportive and friendly workplace environment – a workplace where our values come to life through the supporting behaviours. Positive workplace environment and a great employee experience are integral part of our culture. Your Company believes in providing and ensuring a workplace free from discrimination and harassment based on gender.

Your Company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment, your Company provides the mechanism to seek recourse and redressal to the concerned individual subjected to sexual harassment.

Your Company has a Sexual Harassment Prevention and Grievance Handling Policy in place to provide clarity around the process to raise such a grievance and how the grievance will be investigated and resolved. An Internal Complaints Committee has been constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint has been raised during the year ended 31st March, 2018.

21. COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

There are no companies which have become or ceased to be its Subsidiaries, Joint Venture or Associate Companies during the financial year 2017 – 18.

22. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The criteria prescribed for the applicability of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 is not applicable to your Company.

23. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The paid up share capital of your Company is Rs. 24 Lakhs as on 31st March, 2018. The Reserve and Surplus is Rs. 97.21 Lakhs. Accordingly, the paid up capital and net worth is below the prescribed limit for mandatory applicability of Corporate Governance Clause. Your Company has decided not to opt for compliance of Risk Management Policy required under Regulation 21 read with Regulation 15 of the SEBI (LODR) Regulations, 2015 for the time being due to the size of the business and your Company has not formed Risk Management Committee as it is not applicable under Regulation 21 of the SEBI (LODR) Regulations, 2015.

24. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

Your Company maintains an adequate and effective Internal Control System commensurate with its size and complexity. We believe that these internal control systems provide, among other things, a reasonable assurance that transactions are executed with Management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets of your Company are adequately safe-guarded against significant misuse or loss.

An independent Internal Audit function is an important element of your Company's internal control system. The internal control system is supplemented through an extensive internal audit programme and periodic review by Management and Audit Committee.

Your Company has in place, adequate Internal Financial Controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

The Audit Committee reviewed the audit program and findings of the Internal Audit department and your Company when needed takes corrective actions.

25. INFORMATION SYSTEM

In a business where information is critical, Information Technology plays a vital role, facilitating informed decision making to grow the business. Over the years, your Company has invested extensively in infrastructure, people and processes with the objective to capture, protect and transmit information with speed and accuracy.

26. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report.

27. AUDITORS

27.1 Statutory Auditors

Your Company's Auditors, M/s. Diwan Gosalia & Associates, Chartered Accountants who retire at the forthcoming Annual General Meeting of your Company are eligible for re-appointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of your Company. As required under Regulation 33 of SEBI (LODR) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India

27.2 Statutory Auditors' Observations

The Report given by the Auditors on the financial statements of your Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

27.3 Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s P. P. Shah & Co., Practicing Company Secretary to undertake the Secretarial Audit of your Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure A".

27.4 Qualifications in Secretarial Audit Report

A. Appointment of Company Secretary:

As per Section 203 (1) (ii), the Company is required to appoint Company Secretary. *The Company has not appointed Company Secretary consequently the Annual Audited Financial Statements are not signed by Company Secretary.* In this regard the management of the Company has provided the following reply:

- (i) The Company has appointed Mrs. Fatima D'souza, CFO as Compliance Officer of the Company who looks after the compliance of the Companies Act, 2013 and the SEBI Act and rules made there under;
- (ii) The Company has availed the services of Practicing Company Secretary for advising on compliance of the Companies Act, 2013 and the SEBI Act and rules made there under;
- (iii) The Volume and Scope of work for the Company Secretary is less and it is not a full time work and the job of Company Secretary is not attractive commensurate with the scope of work and salary.

B. Appointment of Internal Auditor:

As per Section 138 of the Companies Act, 2013, the Company is required to appoint Internal Auditor. *The Company has not appointed Internal Auditor.* In this regard the management of the Company has provided the following reply:

- (i) The size of operation of the Company is very small accordingly, it is not viable to appoint Internal Auditor but the Company has established the internal control system.

C. E-Voting in Annual General Meeting:

As per Rule 20 of the Companies (Management and Administration) Rules, 2014, every listed company or a company having more than 1000 members must provide e-voting facility to its members while seeking their approval on resolutions proposed in the General Meeting. *The Company did not provided e-voting facility to its members in respect of resolutions passed at the 32nd Annual General Meeting held on Saturday, 29th July, 2017.* In this regard the Management has given the following reply:

- (i) The Company is having 12 shareholders under public category and 3 shareholders under promoter category. Of the 12 shareholders from public category, 1 is the director of the Company and another is employee of the Company. Hence, the cost for availing e-voting is not viable.

D. Composition of Board of Directors:

The Company has 3 Directors out of which 2 are Promoter Directors of which 1 is Executive Director and 1 is Non-Executive Independent Director. The composition of the Board of Directors is in compliance with Section 149(4) of the Companies Act, 2013 but not in compliance with Regulation 17(2) of the SEBI (LODR) Regulations, 2015. In this regard the management of the Company has provided the following reply:

- (i) The Company has availed exemption under Regulation 15(2) of the SEBI (LODR) Regulations, 2015 in respect of composition of Board of Directors as per Regulation 17(2) the SEBI (LODR) Regulations, 2015;
- (ii) The Company has decided not to opt for appointment of one more Independent Director due to the size of its business.

E. Composition of Audit Committee & Nomination and Remuneration Committee

The composition of Audit Committee & Nomination and Remuneration Committee is not in line with the requirements of Section 177 and 178 of the Companies Act, 2013. The same has been explained below:

Composition of Audit Committee:

As per Section 177 of the Companies Act, 2013, the Board of Directors of every listed company shall constitute an Audit Committee comprising of a minimum of 3 Directors with Independent Directors forming a majority. Since the Company has only 1 Independent Director, hence its Audit Committee is not as per the requirements of Section 177 of the Companies Act, 2013. The Company has decided not to opt for appointment of one more Independent Director due to the size of its business.

Composition of Nomination and Remuneration Committee:

As per Section 178 of the Companies Act, 2013, the Board of Directors of every listed company shall constitute an Nomination and Remuneration Committee comprising of a minimum of 3 Non-Executive Directors of which one half shall be Independent Directors. Since the Company has only 1 Independent Director and 1 Non-Executive Director, hence it's Nomination and Remuneration Committee is not as per the requirements of Section 178 of the Companies Act, 2013. The Company has decided not to opt for appointment of one more Independent Director due to the size of its business.

28. CORPORATE GOVERNANCE

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence, improving investors' protection and maximizing long-term shareholders value. The certificate from M/s. P. P. Shah & Co., Practicing Company Secretaries, confirming compliance of conditions of Corporate Governance as stipulated under Schedule V (E) of the SEBI (LODR) Regulations, 2015 of the Stock Exchanges is annexed.

29. MANAGEMENT DISCUSSION AND ANALYSIS

Your Company has opted for exemption under Regulation 15(2) of the SEBI (LODR) Regulation, 2015 in respect of report on Management Discussion and Analysis.

30. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is as under:

A. Conservation of Energy

The operations of your Company are not energy intensive. However, wherever possible your Company strives to curtail the consumption of energy on continued basis.

B. Technology absorption, adaptation and innovation

No expenditure has been incurred by your Company on research and Development activities during the year under review.

C. Foreign Exchange Earning & Outgo

Foreign Exchange Earnings / Outgo	31/03/2018	31/03/2017
Foreign Exchange Earned	0	0
Foreign Exchange Outgo	0	0

31. LISTING WITH STOCK EXCHANGES

Your Company is listed with BSE Limited and your Company has duly paid the listing fees to the Exchange.

32. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT – 9 is annexed herewith as “Annexure B”.

33. PARTICULARS OF EMPLOYEES

During the year, there was no employee in receipt of remuneration as prescribed in the Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The prescribed particulars of Employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not given since no Director is drawing any remuneration.

34. HUMAN RESOURCES

The relations of the employees of your Company have been cordial during the year. Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening your Company's Policies and Systems. Your Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

35. ENVIRONMENT AND SAFETY

Your Company is conscious of the importance of environmentally clean and safe operations. Your Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

36. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

37. GREEN INITIATIVES

Electronic copies of the Annual Report 2017 – 18 and Notice of the 33rd Annual General Meeting are sent to all members whose email addresses are registered with your Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2017 – 18 and the Notice of the 33rd Annual General Meeting under Section 101 of the Companies Act, 2013 are sent in the permitted mode. Members requiring physical copies can send a request to your Company.

38. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of your Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of your Company for their unstinted commitment and continued contribution to your Company.

39. CAUTIONARY STATEMENT

Statements in the Board's Report describing your Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence your Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.



For and on behalf of the Board of Directors

Nirav Mehta
Nirav Mehta
Managing Director

Sujit Mehta
Sujit Mehta
Director

Place: Mumbai
Date: 30th May, 2018

ANNEXURE 'A' TO BOARD'S REPORT
SECRETARIAL AUDIT REPORT
FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

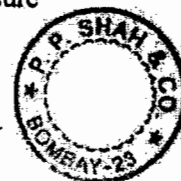
To,
The Members,
Punit Commercials Ltd

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Punit Commercials Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the rules made thereunder;
2. The Securities Contracts ('Regulation') Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable to the Company during audit period).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during audit period).
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008. (Not Applicable to the Company during audit period).
- f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agent), Regulations, 1993. Regarding the Companies Act, 2013 and dealing with the clients.
- g) The Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009. (Not Applicable to the Company during audit period).
- h) The Securities and Exchange Board of India (Buyback of Securities), Regulations, 1998. (Not Applicable to the Company during audit period).

We have also examined compliance with the applicable clauses of the following:

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India i.e. Secretarial Standards – 1 for Board Meetings and Secretarial Standards – 2 for General Meetings.
- 2) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to the following qualifications / observations:

A. Appointment of Company Secretary:

As per Section 203 (1) (ii), the Company is required to appoint Company Secretary. *The Company has not appointed Company Secretary consequently the Annual Audited Financial Statements are not signed by Company Secretary. In this regard the management of the Company has provided the following reply:*

- (i) The Company has appointed Mrs. Fatima D'souza, CFO as Compliance Officer of the Company who looks after the compliance of the Companies Act, 2013 and the SEBI Act and rules made there under;
- (ii) The Company has availed the services of Practicing Company Secretary for advising on compliance of the Companies Act, 2013 and the SEBI Act and rules made there under;
- (iii) The Volume and Scope of work for the Company Secretary is less and it is not a full time work and the job of Company Secretary is not attractive commensurate with the scope of work and salary.



B. Appointment of Internal Auditor:

As per Section 138 of the Companies Act, 2013, the Company is required to appoint Internal Auditor. *The Company has not appointed Internal Auditor.* In this regard the management of the Company has provided the following reply:

- (i) The size of operation of the Company is very small accordingly, it is not viable to appoint Internal Auditor but the Company has established the internal control system.

C. E-Voting in Annual General Meeting:

As per Rule 20 of the Companies (Management and Administration) Rules, 2014, every listed company or a company having more than 1000 members must provide e-voting facility to its members while seeking their approval on resolutions proposed in the General Meeting. *The Company did not provided e-voting facility to its members in respect of resolutions passed at the 32nd Annual General Meeting held on Saturday, 29th July, 2017.* In this regard the Management has given the following reply:

- (i) The Company is having 12 shareholders under public category and 3 shareholders under promoter category. Of the 12 shareholders from public category, 1 is the director of the Company and another is employee of the Company. Hence, the cost for availing e-voting is not viable.

D. Composition of Board of Directors:

The Company has 3 Directors out of which 2 are Promoter Directors of which 1 is Executive Director and 1 is Non-Executive Independent Director. The composition of the Board of Directors is in compliance with Section 149(4) of the Companies Act, 2013 but not in compliance with Regulation 17(2) of the SEBI (LODR) Regulations, 2015. In this regard the management of the Company has provided the following reply:

- (i) The Company has availed exemption under Regulation 15(2) of the SEBI (LODR) Regulations, 2015 in respect of composition of Board of Directors as per Regulation 17(2) the SEBI (LODR) Regulations, 2015;
- (ii) The Company has decided not to opt for appointment of one more Independent Director due to the size of its business.

E. Composition of Audit Committee & Nomination and Remuneration Committee

The composition of Audit Committee & Nomination and Remuneration Committee is not in line with the requirements of Section 177 and 178 of the Companies Act, 2013. The same has been explained below:

Composition of Audit Committee:

As per Section 177 of the Companies Act, 2013, the Board of Directors of every listed company shall constitute an Audit Committee comprising of a minimum of 3 Directors with Independent Directors forming a majority. Since the Company has only 1 Independent



Director, hence its Audit Committee is not as per the requirements of Section 177 of the Companies Act, 2013. The Company has decided not to opt for appointment of one more Independent Director due to the size of its business.

Composition of Nomination and Remuneration Committee:

As per Section 178 of the Companies Act, 2013, the Board of Directors of every listed company shall constitute an Nomination and Remuneration Committee comprising of a minimum of 3 Non-Executive Directors of which one half shall be Independent Directors. Since the Company has only 1 Independent Director and 1 Non-Executive Director, hence its Nomination and Remuneration Committee is not as per the requirements of Section 178 of the Companies Act, 2013. The Company has decided not to opt for appointment of one more Independent Director due to the size of its business.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors, subject to qualification in respect of composition of the Audit Committee & Nomination and Remuneration Committee as explained above.

There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:

1. Public / Right / Preferential Issue of Shares / Debentures / Sweat Equity, etc.;
2. Redemption / Buy-Back of Securities;
3. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013;



Pradip Shah
B. Com, LL. B, FCS

P. P. Shah & Co.
Company Secretaries

Punit Shah
B. Com, ACS

4. Merger / Amalgamation / Reconstruction, etc.;
5. Foreign Technical Collaborations.

Place: Mumbai
Date: May 30, 2018



Signature: Pradip C. Shah

Pradip Shah
For P. P. Shah & Co.
Practising Company Secretaries
FCS No. 1483, C P No.: 436

ANNEXURE 'B' TO BOARD'S REPORT
EXTRACT OF ANNUAL RETURN
As on the financial year ended 31.03.2018
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS

CIN	L51900MH1984PLC034880
Registration Date	22 nd December, 1984
Name of the Company	PUNIT COMMERCIALS LIMITED
Category of the Company	Company Limited by Shares
Sub-Category of the Company	Indian Non – Government Company
Address of the Registered Office and Contact details	AW 2022, 'A' Tower, 2 nd Floor, Bharat Diamond Bourse, Bandra – Kurla Complex, Bandra – E, Mumbai – 400 051 Tel: 022 – 4210 6999 Fax: 022 – 400 21401 Email: fatimad@punitcommercials.com
Whether listed company	Yes. Listed on BSE Limited
Name, address and contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd., Unit – 1, Luthra Industrial Premises, Andheri – Kurla Road, Safed Pool, Andheri – E, Mumbai – 400 072 Tel: 022 – 2851 5606 Fax: 022 – 2851 2885 Email: sharexindia@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Investment	66190	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Nil	Nil	Nil	Nil	Nil

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	135730	0	135730	56.55	135730	0	135730	56.55	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total(A) (1):	135730	0	135730	56.55	135730	0	135730	56.55	0.00
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub- Total (A) (2):	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	135730	0	135730	56.55	135730	0	135730	56.55	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1):	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	31550	0	31550	13.15	31550	0	31550	13.15	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 Lakhs	72720	0	72720	30.30	72720	0	72720	30.30	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)									
Sub-Total (B)(2):	104270	0	104270	43.45	104270	0	104270	43.45	0.00
Total Public Shareholding Public Group (B)= (B)(1)+(B)(2)	104270	0	104270	43.45	104270	0	104270	43.45	0.00
Total (A) + (B)	240000	0	240000	100.00	240000	0	240000	100.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	240000	0	240000	100.00	240000	0	240000	100.00	0.00

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2017)			Shareholding at the end of the year (As on 31.03.2018)			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Nirav Mehta	49,550	20.65	0.00	49,550	20.65	0.00	0.00
2.	Purnima Mehta	53,850	22.44	0.00	53,850	22.44	0.00	0.00
3.	Priya Mehta	32,330	13.47	0.00	32,330	13.47	0.00	0.00
	Total	1,35,730	56.55	0.00	1,35,730	56.55	0.00	0.00

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (As on 31.03.2018)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	No change during the year			
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No change during the year			
At the end of the year	No change during the year			

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2017)		Shareholding at the end of the year (As on 31.03.2018)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	M/s. Subir Diamonds Pvt. Ltd.	31,550	13.15	31,550	13.15
2.	Kartik Biharilal Shah	14,200	5.92	14,200	5.92
3.	Kishore Jayantilal Dhami	11,760	4.90	11,760	4.90
4.	Ajay Jormal Mehta	10,550	4.40	10,550	4.40
5.	Jitendra Shah	10,000	4.17	10,000	4.17
6.	Pratibha Jitendra Shah	9,500	3.96	9,500	3.96
7.	Vikas Gupta	4,500	1.88	4,500	1.88
8.	Sujit S Mehta	4,500	1.88	4,500	1.88
9.	Fatima D'Souza	3,510	1.46	3,510	1.46
10.	Kerul Kiran Parikh	3,000	1.25	3,000	1.25
11.	Devang N Kamdar	1,000	0.41	1,000	0.41
12.	Mehta Harish	200	0.07	200	0.07
	Total	1,04,270	43.45	1,04,270	43.45

v) Shareholding of Directors and Key Managerial Personnel

Particulars	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (As on 31.03.2018)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
A. DIRECTORS				
At the beginning of the year	Promoter Director Shareholding and their changes have already been given in the earlier table. Mr. Sujit Mehta is holding 4,500 shares at the beginning and at the end of the year.			
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc)				
At the end of the year				
B. KEY MANAGERIAL PERSONNEL				
At the beginning of the year	Not Applicable			
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc)				
At the end of the year				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (Amount in Rs.)
Indebtedness at the beginning of the financial year (01.04.2017)				
i) Principal Amount	1,28,79,605	82,155	0.00	1,29,61,760
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	1,28,79,605	82,155	0.00	1,29,61,760
Change in Indebtedness during the financial year				
Addition	0.00	15,00,000	0.00	15,00,000
Reduction	94,95,957	0.00	0.00	94,95,957
Net Change	(94,95,957)	15,00,000	0.00	(79,95,957)
Indebtedness at the end of the financial year (31.03.2018)				
i) Principal Amount	33,83,648	15,82,155	0.00	49,65,803
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	33,83,648	15,82,155	0.00	49,65,803

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of the Director	Total Amount (In Rs.)
		Nirav Mehta MD	
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.00	0.00
	(b) Value of perquisites under Section 17(2) income Tax Act, 1961	0.00	0.00
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	0.00	0.00
2.	Stock Options	0.00	0.00
3.	Sweat Equity	0.00	0.00
4.	Commission		
	- as % of profit	0.00	0.00
	- others, specify	0.00	0.00
5.	Others, please specify	0.00	0.00
	TOTAL (A)	0.00	0.00
	Ceiling As Per The Act	Minimum Remuneration upto Rs. 5,00,000 per month	--

B. Remuneration to other Directors

1. Independent Directors

Particulars of Remuneration	Sujit Mehta	Total Amount (In Rs.)
- Fee for attending Board / Committee Meetings	0.00	0.00
- Commission	0.00	0.00
- Others, please specify	0.00	0.00
Total (B)(1)		0.00

2. Other Non Executive Directors

Particulars of Remuneration	Purnima Mehta	Total Amount (In Rs.)
- Fee for attending Board / Committee Meetings	0.00	0.00
- Commission	0.00	0.00
- Others, please specify	0.00	0.00
Total (B)(2)		0.00
Total (B)= (B)(1)+(B)(2)		0.00
Overall Ceiling as per the Act		Upto Rs. 1,00,000 per meeting

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (In Rs.)
		Fatima D'Souza CFO	Head Compliance	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,19,660	0.00	2,19,660
	(b) Value of perquisites under Section 17(2) income Tax Act, 1961	0.00	0.00	0.00
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	0.00	0.00	0.00
2.	Stock Options	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00
	- others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	TOTAL (C)	2,19,660	0.00	2,19,660

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Sections of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding Fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

CORPORATE GOVERNANCE REPORT

Pursuant to Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

For The Financial Year 31st March, 2018

The Directors' Report on the compliance of the Corporate Governance Code is given below.

1) CORPORATE GOVERNANCE

1.1 Company's Philosophy on Corporate Governance

Corporate Governance is about commitment to values and ethical business conduct. We look upon good corporate governance practices as a key driver of sustainable corporate growth and long-term shareholders value creation. Good Corporate Governance is about enhancing value for all our stakeholders. The Company is committed to adopt best practices in corporate governance and disclosures. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, a timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of corporate governance.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our place of work, transparency in decision making process, fair & ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices being followed since the inception have contributed to the Company's sustained growth.

The Company believes that sound corporate governance is critical to enhance and retain investors' trust. The Company's corporate governance philosophy is based on the following principles:

1. Primary responsibility of a good corporate entity is maximizing shareholders value.
2. Be transparent and maintain a high degree of disclosures level.
3. Sound system of risk management and internal control.
4. Principles of integrity, transparency, disclosures, accountability and fairness.
5. Upholding the highest standards of professionalism.
6. Management is the trustee of the shareholders' capital and not the owner.

The Company has adopted the compliance of Corporate Governance on voluntary basis. Wherever the company does not comply due to its size of operation, the same shall be optional and pursuant to Regulation 15 of the SEBI (LODR) Regulations, 2015. A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of the SEBI (LODR) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

1.2 The Governance Structure

Punit Commercial's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to

achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

- a. **Board of Directors** – The Punit Commercial’s Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company; ensuring fairness in the decision making process, integrity and transparency in the Company’s dealing with its Members and other stakeholders.
- b. **Committee of Directors** - With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted the Stakeholders’ Relationship Committee which has been mandated to operate within a given framework.
- c. **Management Structure**- Management structure for running the business as whole is in place with appropriate delegation of powers and responsibilities to the functional heads. The Managing Director and CFO are in overall control and responsible for day-to-day working of the Company. They give strategic direction, lay down policy guidelines and ensure implementation of the Board of Directors and its various committees.

2) BOARD OF DIRECTORS

2.1 Composition and Category of Directors

The Board consists of 3 Directors, out of which 1 is an Independent Director. Composition of the Board and category of Directors are as follows:

Name of the Directors	Executive / Non Executive	Promoter/ Independent	Relationship with Directors
Mr. Nirav Mehta	Executive	Promoter	Son of Mrs. Purnima Mehta
Mr. Sujit Mehta	Non Executive	Independent	Not related to any Director
Mrs. Purnima Mehta	Non Executive	Promoter	Mother of Mr. Nirav Mehta

The Company has received declaration from Independent Directors that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

The paid up share capital of the Company is Rs. 24 Lakhs as on 31st March, 2018. The Reserve and Surplus is Rs. 97.21 Lakhs as on 31st March, 2018. Accordingly, the paid up capital and net worth is below the prescribed limit for mandatory applicability of Corporate Governance regulation. The present composition of the Board of Directors is two-third Promoter Directors and one-third is Independent Director. The said composition is in compliance with Section 149 of the Companies Act, 2013 but under the SEBI (LODR) Regulations, the Company is short of one Independent Director. The Company has decided not to opt for appointment of one more Independent Director due to its size of business, in pursuance of Non – Mandatory Requirements of the SEBI (LODR) Regulations, 2015.

The Company is also compliant with composition of Board of Directors with minimum one Independent Director as prescribed under Section 149(4) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

2.2 Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, SEBI Regulations and other relevant regulations and his affirmation taken with respect to the same. The CFO & MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company.

2.3 Board Meetings held during the Year

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
30 th May, 2017	03	03
28 th July, 2017	03	03
13 th November, 2017	03	03
14 th February, 2018	03	03

Attendance of each Director at the Board Meeting and Last Annual General Meeting:

Date of Board Meetings	Nirav Mehta	Purnima Mehta	Sujit Mehta
30 th May, 2017	Present	Present	Present
28 th July, 2017	Present	Present	Present
13 th November, 2017	Present	Present	Present
14 th February, 2018	Present	Present	Present
Total Attendance (out of 4 Board Meetings)	4	4	4
Attendance at Last AGM	Present	Present	Present

2.4 a. Number of other Companies where director (of PCL) hold memberships on the Board of Directors:

b. Number of Committees in which the Directors (of PCL) hold Memberships or Chairmanships:

Name of Director	No. of Directorship held in Indian public limited Companies (including PCL)	**Number of Committee Memberships / Chairmanships(including PCL)	
		Chairman	Member
Mr. Nirav Mehta	1	0	2
Mrs. Purnima Mehta	1	0	2
Mr. Sujit Mehta	1	2	0

**Only Public Limited Companies (Listed and Unlisted) have been taken into consideration while calculating Other Directorships, Committee Memberships and Committee Chairmanships.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly / half yearly unaudited Financial Statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, and reviews such other items which require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as guidelines in SEBI Regulations to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

3) **COMMITTEES OF THE BOARD**

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. *Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee*. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

3.1 Audit Committee

The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by Terms of Reference which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI Regulations. Some of the important functions performed by the Committee are:

3.1.1 Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly Un-Audited Financial Results and the Auditors' Limited Review Report thereon/audited annual Financial Statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the Financial Statements and / or recommendation, if any, made by the Statutory Auditors in this regard.

- Discuss with the Statutory Auditor its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Indian Accounting Standards (IND-AS).
- Review the investments made by the Company.

3.1.2 Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism (implemented in the Company as a Whistle Blower Policy) and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

3.1.3 Audit

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Cost Auditors considering their independence and effectiveness and their replacement and removal.
- Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
- To recommend to the Board the remuneration of the Statutory Auditors/Cost Auditors.
- To discuss with the Statutory Auditors/Chief Internal Auditors any significant difficulties encountered during the course of the Audit.
- Review annual Cost Audit Report submitted by the Cost Auditor.

3.1.4 Other Duties

- To approve the appointment, removal and terms of remuneration of the Chief Internal Auditor and to approve the appointment of the Chief Financial Officer.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve

such transactions subject to the approval of the Board.

The composition of the Audit Committee as at 31st March, 2018 and details of the Members participation at the Meetings of the Committee are as under:

Date of Meeting	Sujit Mehta [*]	Nirav Mehta [§]	Purnima Mehta [#]
30 th May, 2017	Present	Present	Present
28 th July, 2017	Present	Present	Present
13 th November, 2017	Present	Present	Present
14 th February, 2018	Present	Present	Present
Total Attendance (out of 4 meetings)	4	4	4

^{*}Chairman & Non Executive Independent Director

[§]Member & Managing Director

[#]Member & Non Executive Director

The present constitution of the Audit Committee is compliant with Section 177(2) of the Companies Act, 2013. The Company has adopted at its Board Meeting held on 30th May, 2014 the terms of reference of Audit Committee as prescribed under Section 177(4) of the Companies Act, 2013 w.e.f. 1st April, 2014. All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The minutes of the meetings of the Audit Committee are circulated to all the members of the Board.

The Chairman of the Audit Committee will be present at the Annual General Meeting, to answer the shareholders queries, if any.

3.2 Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI Regulations, The Stakeholders' Relationship Committee comprises three Members of which one Member is an Independent Directors.

3.2.1 Terms of Reference of the Committee

- transfer / transmission of shares / debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option

Scheme(s), if any, and to allot shares pursuant to options exercised;

- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors/ stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The composition of the Stakeholders' Relationship Committee as at 31st March, 2018 and details of the Members participation at the Meetings of the Committee are as under:

Date of Meeting	Sujit Mehta [*]	Nirav Mehta [§]	Purnima Mehta [#]
30 th May, 2017	Present	Present	Present
28 th July, 2017	Present	Present	Present
13 th November, 2017	Present	Present	Present
14 th February, 2018	Present	Present	Present
Total Attendance (out of 4 meetings)	4	4	4

*Chairman & Non Executive Independent Director

§Member & Managing Director

#Member & Non Executive Director

3.2.2 Compliance Officer

As required by the Listing Agreement, the Company has appointed Mrs. Fatima D'Souza as the Compliance Officer. Email address of Compliance Officer is fatimad@punitcommercials.com

3.2.3 Status of Transfers

During the year ended 31st March, 2018, no shares in physical form were processed for transfer. There were no pending share transfers as on 31st March, 2018.

3.2.4 Complaints

During the financial year ended 31st March, 2018, no complaints were received from the shareholders and no complaints were pending for redressal either at the beginning or at the end of the year.

Opening as on 1 st April, 2017	Nil
Received during the year	Nil
Disposed of during the year	Nil
Closing as on 31 st March, 2018	Nil

3.3 Nomination and Remuneration Committee (NRC)

In compliance with Section 178 of the Companies Act, 2013 and the SEBI Regulations, The Nomination and Remuneration Committee (NRC) comprise two Members of which one Member is an Independent Director.

3.3.1 Terms of Reference

- The Committee shall identify the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board their appointment and removal and shall carry out evaluation of every directors performance.
- Lay down the criteria for determining the qualifications, positive attributes and independence of a Director and further recommend to the Board the policy for remuneration of Director, Key Managerial Personnel and Employees.

3.3.2 Remuneration Policy

While formulating the policy the Committee has to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Remuneration to directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The composition of the Nomination and Remuneration Committee as at 31st March, 2018 consists of Mr. Sujit Mehta as Chairman & Non Executive Independent Director and Mr. Nirav Mehta as Member & Managing Director. Since there was no business during the year, no meeting of the Nomination and Remuneration Committee was held.

3.4 Corporate Social Responsibility (CSR) Committee

The criteria prescribed for the applicability of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 is not applicable to the Company.

3.5 Risk Management Committee (Non-Mandatory)

The paid up share capital of the Company is Rs. 24 Lakhs as on 31st March, 2018. The Reserve and Surplus is Rs. 97.21 Lakhs as on 31st March, 2018. Accordingly, the paid up

capital and net worth is below the prescribed limit for mandatory applicability of Corporate Governance clause. The Company has decided not to opt for compliance of Risk Management Policy required under Regulation 21 read with Regulation 15 of the SEBI (LODR) Regulations for the time being due to the size of the business and the Company has not formed Risk Management Committee as it is not applicable under Regulation 21 of the SEBI (LODR) Regulations, 2015.

3.6 Independent Directors' Meeting

The Company has not held Independent Directors' Meeting and considered it as optional item under Regulation 15(2) of the SEBI (LODR) Regulations, 2015.

3.7 Policy for Selection and Appointment of Directors and their Remuneration

The Board of Directors has constituted Nomination and Remuneration Committee (NRC). But the size of the Company and operation does not require the policy for selection and appointment of Directors and their remuneration. Accordingly the policy will be formulated as when required.

3.8 Performance Evaluation

The size of the Company and operation does not permit the performance evaluation of Non – Independent Directors. The same will be carried out as and when required.

3.9 Details of Remuneration paid to all Directors

The aggregate remuneration paid to the Directors for the year ended 31st March, 2018, is as under:

Name of Director	Designation	Salary & Perquisites	Commission	Sitting Fees	Total
Mr. Nirav Mehta	MD	0.00	0.00	0.00	0.00
Mrs. Purnima Mehta	Director	0.00	0.00	0.00	0.00
Mr. Sujit Mehta	Independent Director	0.00	0.00	0.00	0.00

Note: The Company does not pay any allowances, perquisites, performance bonus, sign-on amount to Executive and Non Executive Directors.

Details of Service Contracts:

Name of Director	Designation	Current Tenure	From	To
Mr. Nirav Mehta	MD	5 Years	1 st June, 2014	31 st May, 2019

Equity Shares of Punit Commercials Limited held by the Non Executive Directors are as follows:

Non Executive Directors	No. of shares held as on 31 st March, 2018	No. of shares held as on 31 st March, 2017
Mr. Sujit Mehta	4,500	4,500
Mrs. Purnima Mehta	53,850	53,850

Details of Remuneration paid to the Directors are given in Form MGT-9

4) SUBSIDIARY COMPANIES

The Company does not have any Subsidiary Company.

5) DISCLOSURES

5.1 Related Party Transactions

Transactions with related parties, as per requirements of Indian Accounting Standard (Ind-AS 24), are disclosed in notes to accounts annexed to the Financial Statements.

There are no materially significant transactions with the related parties' viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest. Suitable disclosure as required by the Indian Accounting Standard (Ind-AS 24) has been made in the Annual Report.

The Board has approved a policy for related party transactions.

5.2 Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the SEBI or by any statutory authority on any matters related to capital markets during the last three years.

5.3 Compliance with Indian Accounting Standards

In the preparation of the Financial Statements, the Company has followed the Accounting Standards notified pursuant to the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provision of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

5.4 Internal Financial Controls

The Company maintains an adequate and effective Internal Control System commensurate with its size and complexity. We believe that these internal control systems provide, among other things, a reasonable assurance that transactions are executed with Management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets of your Company are adequately safe-guarded against significant misuse or loss.

An independent Internal Audit function is an important element of the Company's internal control system. The internal control system is supplemented through an extensive internal audit programme and periodic review by Management and Audit Committee.

The Company has in place, adequate Internal Financial Controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

The Audit Committee reviewed the audit program and findings of the Internal Audit department and the Company when needed takes corrective actions.

5.5 MD & CFO Certification

The MD & CFO have issued certificate pursuant to the provisions of the SEBI Regulations certifying that the Financial Statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

5.6 Code of Conduct for the Board Members and Senior Management

The Company had formulated a Code of Business Conduct for the employees, including the Directors, for dealing with all the stakeholders of the Company and the same was first adopted by the Board in its meeting held on 30th May, 2014. The Code inter alia covers conduct of employees, environment, health & safety, anti-trust / competition laws, anti-bribery & anti-corruption, proper accounting and internal controls. The updated Code is also available on the Company's official website at the weblink, <http://www.punitcommercials.com/policy.html>.

Apart from the above, the Independent Directors also have to comply with the Code for Independent Directors pursuant to the Schedule IV of the Companies Act, 2013.

In terms of the resolution passed by the Board of Directors in their meeting held on 30th May, 2018, the Board has authorized Mr. Nirav Mehta, Managing Director to sign all Certificates as may be required, to comply with the statutory requirements.

Accordingly, a declaration from the Managing Director that all Board Members and Senior Management Personnel have duly complied with the Code of Conduct for the financial year ended 31st March, 2018 forms part of the Annual report.

5.7 Vigil Mechanism / Whistle Blower Policy

During the financial year 2017 – 18, in accordance with the Regulation 22 of the SEBI (LODR) Regulations and pursuant to Section 177(9) read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013, the company has adopted a Whistle Blower Policy. The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. As per the Whistle Blower Policy, the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate superior. The confidentiality

of those reporting / violations is maintained and they are not subjected to any discriminatory practice.

5.8 Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Compliance Officer is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

5.9 Communication with the Members / Shareholders

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The Audited Annual Results are announced within sixty days from the close of the financial year as per the requirements of the SEBI Regulations. The aforesaid financial results are sent to the BSE Limited (BSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are published within forty-eight hours in leading English and Marathi daily newspapers. The Audited Financial Statements form a part of the Annual Report which is sent to the members well in advance of the Annual General Meeting.
- The Company also informs by way of intimation to BSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in regard to the same.
- The Annual Report of the Company, the quarterly / half yearly and the Annual Financial Results and the press releases of the Company are also placed on the Company's website www.punitcommercials.com and can be downloaded.
- In compliance with the SEBI Regulations, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication is filed electronically on BSE's online Portal – BSE Listing Centre. The Company has complied with filing submissions through BSE's BSE Online Portal.

6) GENERAL INFORMATION TO SHAREHOLDERS

Financial Year Ended: 31st March, 2018

6.1 Investor Services

Pursuant to the directive of SEBI, whereby all work related to share register in terms of both physical and electronic mode for maintenance had to be carried out at a single point, the Company has appointed M/s. Sharex Dynamic (India) Private Limited as its Registrar &

Share Transfer Agent, to handle its entire share related activities, both for physical shares and shares in demat form.

Sharex Dynamic (India) Private Limited

Unit – 1, Luthra Industrial Premises,
Andheri – Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400 072
Tel: 022 – 2851 5606 / 2851 5644; Fax: 022 – 2851 2885
Email: investor@sharexindia.com
Website: www.sharexindia.com

6.2 Address for correspondence with Depositories

National Securities Depository Limited Trade World, 4 th & 5 th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013	Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25 th Floor, N M Joshi Marg, Lower Parel, Mumbai – 400 013
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Telephone No.: 022 2499 4200
Fax: 022 2497 6351
Email: info@nsdl.co.in
Website: www.nsdl.co.in

Tel No : 022 2302 3333
Fax No : 022 2300 2043
E-mail : helpdesk@cdslindia.com
Website : www.cdslindia.com

6.3 Registered Office

Punit Commercials Limited

AW 2022, “A” Tower, Bharat Diamond Bourse,
Bandra Kurla Complex, Bandra (E), Mumbai- 400 051
Tel No.: 022 – 4210 6999
Fax: 022 – 4002 1401

Website: www.punitcommercials.com

Contact Person: Mrs. Fatima D’Souza, Compliance Officer

Email Address: fatimad@punitcommercials.com

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain Demat Account(s), for their queries relating to shareholding, change of address, credit of dividend through NECS. However, queries relating to non-receipt of dividend, non-receipt of annual reports, or on matters relating to the working of the Company should be sent to the Company.

Members who hold shares in physical form should address their queries to the Company.

Members are requested to ensure that correspondence for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewals / split / consolidation of share certificates, issue of duplicate share certificates should be signed by the first named Member as per the specimen signature registered with the Company. The Company may also, with a view to safeguard the interest of its Members and that of the Company, request for additional supporting documents such as certified copies of PAN Cards and other proof of identity and/or address.

Members are requested to indicate their DP ID & Client ID / Ledger Folio number in their correspondence with the Company and also to provide their Email addresses and telephone numbers / Fax numbers to facilitate prompt response from the Company.

6.4 Plant Location

The operations of the Company are carried out from the Registered Office of the Company.

6.5 Market Information

Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

Name & Address of the Stock Exchanges	Stock Code / Scrip Code	ISIN Number for CDSL (Dematerialized shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	512099	INE 750G01019

Annual Fees:

The Company has paid Annual Custody Fees for the year 2016 – 17 and 2017 – 18 to both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

The Company has paid Annual Listing Fees for the year 2017 – 18 to the BSE Ltd. within the stipulated time.

6.6 Shareholders' rights

A shareholder in a Company enjoys certain rights, which are as follows:

- To receive share certificates, on allotment or transfer as the case may be, in due time.
- To receive copies of the Annual Report, Balance Sheet and Profit and Loss Account and the Auditor's Report.
- To participate and vote in General Meetings either personally or through proxies.
- To receive dividends in due time, once approved in General Meetings or Board Meetings.
- To receive corporate benefits like rights and bonus etc. once approved.
- To apply to the National Company Law Tribunal to call or direct the Annual General Meeting.
- To inspect the minute books of the General Meetings and to receive copies thereof.
- To proceed against the Company by way of civil or criminal proceedings.
- To apply for the winding-up of the Company.
- To receive the residual proceeds.

The above-mentioned rights may not necessarily be absolute.

7) SHARE TRANSFER SYSTEM AND OTHER RELATED MATTERS

7.1 Share Transfers

Share Transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

7.2 Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

7.3 Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee(s), members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

7.4 Transfer of 'Underlying Shares' into Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years)

Member's attention is invited to Regulation 39(4) and Schedule VI of the SEBI Regulations. As per the said Regulations, in cases where unclaimed dividends have been transferred to Investor Education and Protection Fund (IEPF) for a consecutive period of seven years, the underlying shares are also required to be transferred to IEPF. The said Regulation has come into effect from 1st December, 2015.

7.5 Pending Investors' Grievances

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Compliance Officer at the Registered Office with a copy of the earlier correspondence.

7.6 Dematerialization of Shares and Liquidity

As per notification issued by SEBI with effect from 26th June, 2000, it has become mandatory to trade in the Company's shares in the electronic form. The Company's shares are available for trading in the depository systems of both NSDL and CDSL.

As on 31st March, 2018, 100% of the Company's total paid up capital representing 2,40,000 equity shares were held in dematerialized form.

7.7 Disclosure with respect to demat suspense account/unclaimed suspense account

As on 31st March, 2018, there are no outstanding shares lying in the demat suspense account/unclaimed suspense account.

7.8 Reconciliation of Share Capital Audit

As required by SEBI, quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with CDSL, NSDL and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

Distribution of Shareholding as on 31st March, 2018

Range (In Shares)	No. of Shareholders	% to capital	Total Shareholding (In Shares)	% to capital
Upto 100	0	0.00	0	0.00
101 to 200	1	6.67	200	0.08
201 to 500	0	0.00	0	0.00
501 to 1,000	1	6.67	1,000	0.42
1,001 to 5,000	4	26.67	15,510	6.46
5,001 to 10,000	2	13.33	19,500	8.13
10,001 to 1,00,000	7	46.67	2,03,790	84.91
1,00,001 & Above	0	0.00	0	0.00
Total	15	100.00	2,40,000	100.00

The Company has entered into agreements with both CDSL and NSDL whereby Members have an option to dematerialize their shares with either of the depositories.

Shareholding Pattern as on 31st March, 2018 (Equity Shares)

Sr. No.	Category	No. of Shares Held	% of Shareholding
A.	Promoter(s) Holding		
1.	Promoter(s)		
	- Indian Promoters	1,35,730	56.55
	- Foreign Promoters	0	0.00
	Sub – Total (A)	1,35,730	56.55
B.	Non – Promoters Holding		
1.	Institutional Investors		
i.	Mutual Funds & UTI	0	0.00
ii.	Banks, Financial Inst, Insurance Company (Central/State Govt Inst/Non – Govt Inst)	0	0.00
iii.	FII(s)	0	0.00
2.	Others		
i.	Private Corporate Bodies	31,550	13.15
ii.	Indian Public	72,720	30.30
iii.	NRI / OCBs	0	0.00

iv.	Any Other – Clearing Members	0	0.00
	Sub – Total (B)	1,04,270	43.45
	GRAND TOTAL (A+B)	2,40,000	100.00

Statement showing Shareholding of more than 1% of the Capital as on 31st March, 2018

Sr. No.	Names of the shareholders		No. of Shares	% of Capital
1.	Promoters:			
	Nirav Mehta	49,550	1,35,730	56.55
	Purnima Mehta	53,850		
	Priya Mehta	32,330		
	Others:			
2.	M/s. Subir Diamonds Pvt. Ltd.		31,550	13.15
3.	Kartik Biharilal Shah		14,200	5.92
4.	Kishore Jayantilal Dhami		11,760	4.90
5.	Ajay Jormal Mehta		10,550	4.40
6.	Jitendra Shah		10,000	4.17
7.	Pratibha Jitendra Shah		9,500	3.96
8.	Vikas Gupta		4,500	1.88
9.	Sujit S Mehta		4,500	1.88
10.	Fatima D'souza		3,510	1.46
11.	Kerul Kiran Parikh		3,000	1.25
	Total		2,38,800	99.52

Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:

There are no outstanding GDRs / ADRs / Warrants or any Convertible instruments. Hence there will not be any impact on the equity of the company.

Particulars of Past Three Annual General Meetings

- Date, time and venue for the Annual General Meetings held during the last three financial years and nature of special resolutions passed thereat are given below:

Financial Year Ending	Nature of Meeting	Nature of Special Resolution Passed	Date & Time	Location
31.03.2015	30 th AGM	Nil	28.08.2015 11.00 a.m.	Registered Office
31.03.2016	31 st AGM	Nil	16.07.2016 10.00 a.m.	Registered Office
31.03.2017	32 nd AGM	Nil	29.07.2017 10.00 a.m.	Registered Office

Note 1:

1. There were no resolutions passed through postal ballot last year.
2. No resolutions are proposed to be passed through postal ballot.

**DECLARATIONS
FINANCIAL CALENDAR 2018**

Board Meeting for consideration of Accounts for the financial year ended 31 st March, 2018 and recommendation of dividend	30 th May, 2018
Posting of Annual Reports	On or before Tuesday, 17 th July, 2018
Book Closure Dates	Saturday, 04 th August, 2018 to Saturday, 11 th August, 2018
Last date for receipt of Proxy Forms	Thursday, 09 th August, 2018 upto 10.00 a.m.
Date, Time & Venue of the 33 rd Annual General Meeting	Saturday, 11 th August, 2018 at 10.00 a.m. at AW 2022, "A" Tower, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
Dividend Payment Date	Nil
Probable date of dispatch of warrants	Not Applicable
Board Meeting for consideration of unaudited quarterly results for the financial year ended 31 st March, 2019	Within forty five days from the end of the quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges
Audited results for the current financial year ending 31 st March, 2019	Within sixty days from the end of the last quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges

For and on behalf of the Board of Directors



Nirav Mehta
Nirav Mehta
Managing Director

Place: Mumbai
Date: 30th May, 2018

PUNIT COMMERCIALS LIMITED

Diamond Manufacturers, Importers & Exporters

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY

This is to state that the Company had duly adopted a Code of Conduct in the meeting of the Board of Directors held on 30th May, 2014. After adoption of the Code of Conduct, the same was circulated to all the Board of Members and Senior Management Personnel for compliance. The Code of Conduct has also been posted on the website of the Company. The Company has since received declaration from all the Board Members and Senior Management Personnel affirming compliance of the Code of Conduct of the Company in respect of the financial year 31st March, 2018. The same has been duly noted by the Board in its meeting held on 30th May, 2018.




Nirav Mehta
Managing Director

Place: Mumbai
Date: 30th May, 2018

PUNIT COMMERCIALS LIMITED

Diamond Manufacturers, Importers & Exporters

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Punit Commercials Limited ("the Company") to the best of our knowledge and belief certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2018 and that to the best of our knowledge and belief, we state that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- D. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
1. significant changes, if any, in internal control over financial reporting during the year;
 2. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the Financial Statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Yours Sincerely


Nirav Mehta
Managing Director




Fatima D'Souza
Chief Financial Officer

Place: Mumbai
Date: 30th May, 2018

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**PRACTISING COMPANY SECRETARY'S CERTIFICATE REGARDING
COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

TO THE MEMBERS OF PUNIT COMMERCIALS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Punit Commercials Limited ("the Company"), for the year ended on 31st March, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the secretarial and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Regulations except following:

As per Section 149 and SEBI Regulations, the Company is required to appoint Independent Director. The Company has appointed one Independent Director which complies under Section 149 of the Companies Act, 2013 but does not comply under SEBI Regulations. As per SEBI Regulations, the Company shall have minimum 50% as Independent Director. In this regard the management of the Company has provided the following reply:

The Company has availed the exemption under Regulation 15 (2) of SEBI (LODR) Regulations, 2015 in respect of certain regulations of Corporate Governance due to its size of business.

As per Regulation 44 of SEBI (LODR) Regulations, 2015 and Rule 20 of Companies (Management and Administration) Rules, 2014, every listed company or a company having more than 1000 members must provide e-voting facility to its members while



seeking their approval on resolutions proposed in the General Meeting. The Company did not provide e-voting facility to its members in respect of resolutions passed at the 32nd Annual General Meeting held on Saturday, 29th July, 2017. In this regard the Management has given the following reply:

The Company is having 12 shareholders under public category and 3 shareholders under promoter category. Of the 12 shareholders from public category, 1 is the director of the Company and another is employee of the Company. Hence the cost for availing e-voting is not viable.

6. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.



For P. P. Shah & Co.
Practising Company Secretary

Pradip C. Shah

Pradip C. Shah
Partner
Membership No. 1483
Certificate of Practice: 436

Place: Mumbai
Date: 30th May, 2018

Independent Auditors' Report

**To the Members of
Punit Commercials Limited**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Punit Commercials Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the



auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, its loss (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by K. P. Mehta & Co., Chartered Accountants, Mumbai whose report for the year ended 31st March 2017 and 31st March 2016 dated 30th May, 2017 and 30th May, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements


- (1) As required by the Companies (Auditors' 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 "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



(2) As required by Section 143(3) 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, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note vii (c) in Annexure 1 to the report;
 - 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 disclosures regarding details of Specified Bank Notes held and transacted during the period from 8th November, 2016 to 30th December, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2018.

For Diwan Gosalia & Associates
Chartered Accountants
ICAI Firm Registration Number: 111881W


Hitesh Diwan
Partner
Membership Number - 035079



Place: Mumbai
Date: 30-05-2018

“Annexure 1” to the Independent Auditors’ Report

With reference to the Annexure referred to in our Independent Auditors’ Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2018, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) All fixed assets have been physically verified by the management periodically during the year, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not own any Immovable Assets. Accordingly, provisions of paragraph 3(i)(c) of the Order in respect of Title Deeds of the Immovable Properties are not applicable to the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. No material discrepancies were noticed on such verification of inventory.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loans, has not made any investments and has not given guarantees and security to which provisions of Section 185 and 186 of the Act are applicable. Accordingly, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any operations of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our verification of the records of the Company, undisputed statutory dues including sales tax/income tax/custom duty/wealth tax/excise duty/cess and other statutory dues have been generally regularly deposited with the appropriate authority.
- (b) According to the information and explanations given to us no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31 March, 2018 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of Income tax or Sales tax or Service tax or Goods & Service tax or duty of Customs or duty of Excise or Value added tax; which have not been deposited by the Company on account of disputes, except for the following.



Name of Statute	Nature of Dues	Assessment Year	Amount under dispute Rupees	Amount paid under protest Rupees	Forum where dispute is pending
Income Tax	Online tax demand	A.Y. 1992-93	22,663/-	NIL	Assessing Officer
Income Tax	Online tax demand	A.Y. 1998-99	13,753/-	NIL	Assessing Officer
Income Tax	Online tax demand	A.Y. 2003-04	59,774/-	NIL	Assessing Officer
Income Tax	Online tax demand	A.Y. 2006-07	14,486/-	NIL	Assessing Officer
Income Tax	IT matter under dispute	A.Y. 2013-14	1,12,64,260/-	16,90,000/-	CIT (Appeals)
Income Tax	Online tax demand	A.Y. 2014-15 And Previous years	14,061/-	NIL	TDS Department

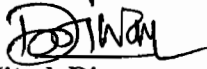
- (viii) In our opinion and as per the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or bank during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer or debt instrument and term loans during the year. The loans outstanding at the beginning of the year have been applied for the purpose for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, no managerial remuneration has been paid or provided for the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company did not make any preferential allotment or private placement of shares or debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company did not enter into any non-cash transactions with directors or persons connected with directors during



the year. Accordingly, the paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Diwan Gosalia & Associates
Chartered Accountants
ICAI Firm Registration Number: 111881W


Hitesh Diwan
Partner
Membership Number - 035079



Place: Mumbai
Date: 30-05-2018

“Annexure 2” to the Independent Auditors’ Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”):

We have audited the internal financial controls over financial reporting of Punit Commercials Limited (‘the Company’) as of March 31, 2018 in conjunction with our audit of the standalone Ind AS 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 (‘ICAI’). 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted 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 judgement, 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 of the 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 override of controls, material 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 procedures 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, 2018, 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 issued by the ICAI.

For Diwan Gosalia & Associates
Chartered Accountants
ICAI Firm Registration Number: 111881W


Hitesh Diwan
Partner
Membership Number - 035079



Place: Mumbai
Date: 30-05-2018

PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880
BALANCE SHEET AS AT MARCH 31, 2018

	Notes	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016
		Rupees	Rupees	Rupees	Rupees	Rupees
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	2	1,132	12,438		386,200	
Intangible Assets		-	-		-	
Financial Assets						
Investments	3	1,392,300	1,392,300		1,392,300	
Other Non Current Assets	4	-	30,000		30,000	
Total Non Current Assets			1,393,432	1,434,738		1,808,500
Current Assets						
Inventories	5	11,446,956	24,620,668		22,879,754	
Financial Assets						
Investments		-	-		-	
Trade Receivables	6	1,372,806	719,617		999,131	
Cash and Cash Equivalents	7	1,278,654	1,280,427		322,026	
Current Tax Assets (Net)						
Other Current Assets	8	1,745,131	1,438,182		13,068	
Total Current Assets			15,843,547	28,058,894		24,213,979
TOTAL ASSETS			17,236,979	29,493,632		26,022,479
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	9	2,400,000	2,400,000		2,400,000	
Other Equity	10	9,721,265	11,862,594		10,558,465	
Total Equity			12,121,265	14,262,594		12,958,465
Liabilities						
Non-Current Liabilities						
Deferred Tax Liabilities	11	-392	1,990		5,862	
Long Term Borrowings	12	4,965,803	12,961,760		12,913,398	
Total Non-Current Liabilities			4,965,411	12,963,750		12,919,260
Current Liabilities						
Financial Liabilities						
Trade Payables	13	27,187	2,167,108		-	
Other Financial Liabilities	14	123,117	100,180		139,194	
Provisions	15	-	-		5,559	
Total Current Liabilities			150,304	2,267,288		144,753
Total Liabilities			5,115,714	15,231,038		13,064,014
Total Equity and Liabilities			17,236,979	29,493,632		26,022,479
Summary of Significant Accounting Policies	I					
The accompanying notes are an integral part of the financial statements.	I to 29					

As per our report of even date.
For DIWAN GOSALIA & ASSOCIATES
Chartered Accountants.
Firm Registration No.: 111881W

Hitesh Diwan
(HITESH DIWAN)
Partner.
Membership No. 35079
Place : Mumbai
Date: 30th May, 2018



For and on behalf of the Board of Directors
PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880

Nirav Mehta
(Nirav Mehta)
DIRECTOR
DIN : 00518614
Purnima Mehta
(Purnima Mehta)
DIRECTOR
DIN : 00518991

Sujit Mehta
(Sujit Mehta)
DIRECTOR
DIN : 01718827
F.D.Souza
(Fatima D'souza)
CFO

Place : Mumbai
Date: 30th May, 2018

PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880

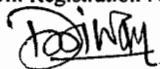
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

	Notes	Current Year Rupees	Previous Year Rupees
INCOME			
Revenue from Operations	16	185,069,595	81,576,041
Other Income	17	(1,379,620)	(573,306)
Total Revenue (I)		183,689,975	81,002,735
EXPENSES			
<u>Cost of materials consumed</u>			
Purchases of Stock-in-Trade	18	168,993,786	76,910,350
Changes in the inventories of finished goods work-in-progress and Stock-in-Trade	19	13,173,711	(1,740,914)
Employee Benefits Expense	20	1,197,660	1,005,660
Depreciation and Amortisation Expense	2	11,306	107,058
Finance Cost	21	609,273	1,274,085
Other Expenses	22	1,837,581	1,891,352
Total Expenses (II)		185,823,316	79,447,591
Loss before Tax		(2,133,341)	1,555,144
Tax Expense			
Current Tax		-	305,000
(Excess)/Short Tax Provision of earlier years		10,370	-
Deferred Tax	11	(2,382)	(3,872)
		7,988	301,128
Loss for the Year		(2,141,329)	1,254,016
Earnings per equity share [nominal value of share Rs.10/-]			
Basic (In Rs.)		(9)	5
Diluted (In Rs.)		(9)	5
Summary of Significant Accounting Policies	I		
The accompanying notes are an integral part of the financial statements.	I to 29		
As per our report of even date.			

For DIWAN GOSALIA & ASSOCIATES

Chartered Accountants.

Firm Registration No.: 111881W


(HITESH DIWAN)

Partner.

Membership No.35079

Place : Mumbai

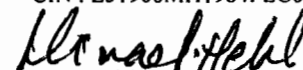
Date: 30th May, 2018



For and on behalf of the Board of Directors

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880


(Nirav Mehta)

DIRECTOR

DIN : 00518614


(Sujit Mehta)


DIRECTOR

DIN : 01718827


(Purnima Mehta)

DIRECTOR

DIN : 00518991


(Fatima D'souza)

CFO

Place : Mumbai

Date: 30th May, 2018

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Current Year Rupees	Previous Year Rupees
A) Cash flow from operating activities		
Net profit as per P&L A/C before tax & extraordinary items	(2,133,341)	1,555,144
<u>Add:</u> Non Operating Expenses/Incomes		
Depreciation	11,306	107,058
<u>Less:</u> Loss on Sale of Car	-	121,704
<u>Less:</u> Interest on FD / Interest on I.T.Refund	(51,930)	(99)
	(2,173,965)	1,783,807
<u>Adjustments for Working Capital</u>		
Other Non Current Assets	30,000	-
Inventories	13,173,712	(1,740,914)
Debtors	(653,189)	279,515
Short Term Loans and Advances	(317,320)	1,189
Creditors	22,937	2,128,094
Trade Payables	(2,139,921)	-
Loans taken/repaid	(7,995,957)	48,362
Cash flow from Operating activities before Tax Paid	(53,704)	2,500,052
Taxes paid	-	(1,686,749)
VAT Paid	-	-
Cash flow from Operating activities	(53,704)	813,303
B) Cash flow from Investment activities		
Sale of Investments	-	-
Sale of Fixed Assets	-	145,000
Purchase of Fixed Assets	-	-
Purchase of Investments	-	-
Interest on FD Received / Interest on I.T.	51,930	99
Cash flow from Investment activities	51,930	145,099
Net Increase/ (Decrease) in Cash & Cash Equivalents (A-B)	(1,774)	958,402
<u>Add:</u> Opening Balance of Cash & Cash Equivalents	1,280,427	322,026
Closing Balance of Cash & Cash Equivalents (Refer Note. 7)	1,278,654	1,280,427

As per our attached report of even date

AS PER OUR REPORT OF EVEN DATE
FOR DIWAN GOSALIA & ASSOCIATES

Chartered Accountants

FRN : 111811W



(Hitesh Diwan)

Partner

Membership No :- 35079

Place: Mumbai

Date : 30th May, 2018



For and on behalf of the Board of Directors

(PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

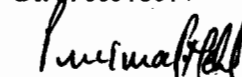
 (Nirav Mehta) (Sujit Mehta)

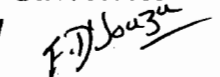
DIRECTOR

DIRECTOR

DIN : 00518614

DIN : 01718827

 (Purnima Mehta)

 (Fatima D'souza)

DIRECTOR

CFO

DIN : 00518991

Place: Mumbai

Date : 30th May, 2018

PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880

Statement of Changes in Equity for the Year ended 31st March, 2018

A Equity Share Capital

Balance at the beginning of the reporting period i.e. 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period i.e. 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period i.e. 31st March, 2018
2,400,000	-	2,400,000	-	2,400,000

B Other Equity

	Reserves and Surplus				Other Comprehensive Income		
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurement of Defined Benefit Plan	Debt Instruments through OCI
As on 31st March, 2017							
Balance at the beginning of the reporting period i.e. 1st April, 2016	-	-	245,000	10,313,465	-	-	-
Total Comprehensive Income for the year	-	-	-	1,254,016	-	-	-
Transfer (to) / from Retained Earnings	-	-	-	-	-	-	-
Adjustment for Taxation	-	-	-	50,113	-	-	-
Dividend paid on Equity Shares	-	-	-	-	-	-	-
Tax on Dividend paid on Equity Shares	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2017	-	-	245,000	11,617,594	-	-	-
As on 31st March, 2018							
Balance at the beginning of the reporting period i.e. 1st April, 2017	-	-	245,000	11,617,594	-	-	-
Total Comprehensive Income for the year	-	-	-	-2,141,329	-	-	-
Transfer (to) / from Retained Earnings	-	-	-	-	-	-	-
Dividend paid on Equity Shares	-	-	-	-	-	-	-
Tax on Dividend paid on Equity Shares	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2018	-	-	245,000	9,476,265	-	-	-

As per our report of even date.

For **DIWAN GOSALIA & ASSOCIATES**

Chartered Accountants.

Firm Registration No.: 111881W

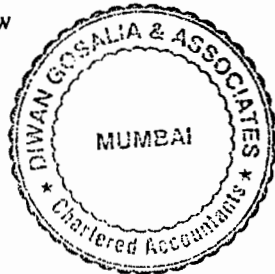
Hitesh Diwan
(HITESH DIWAN)

Partner.

Membership No. 35079

Place : Mumbai

Date: 30th May, 2018



For and on behalf of the Board of Directors

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

Nirav Mehta
(Nirav Mehta)
DIRECTOR

DIN : 00318614

Sujit Mehta
(Sujit Mehta)
DIRECTOR

DIN : 01718827

Purnima Mehta
(Purnima Mehta)
DIRECTOR

DIN : 00518991

Fatima Souza
(Fatima Souza)
CFO

DIN : 00518991

Place : Mumbai

Date: 30th May, 2018

Note I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A CORPORATE INFORMATION

Punit Commercials Limited("the Company") is a listed entity incorporated in India, having its registered office and principal place of business at AW - 2202, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (East) Mumbai - 400 051, India.

The Company is engaged in business of Trading and Investment in Shares, Securities and other financial instruments.

B SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- (i) Certain financial assets and liabilities.
- (ii) Defined benefit plans - plan assets.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the requirement of Indian General Accepted Accounting Policies, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These financial statements are the Company's first Ind AS standalone financial statements.

Company's financial statements are presented in Indian Rupees, which is also its functional currency.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

b. Inventories

Inventories are measured at cost. Cost is determined on "First In First Out" basis.

c. Impairment of Non Financial Assets - Property, Plant & Equipment and Intangible assets.

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual assets, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

d. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.



e. **Employee Benefits**

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when employees render the services.

Post-Employment Benefits

The Company does not have defined employee retirement policy as the employee strength does not exceed the statutory minimum requirement.

f. **Tax Expenses**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

g. **Foreign currencies transactions and translation**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and

h. **Earning Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

i. **Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash and cash on deposit with bank and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash and cash equivalents.

j. **Cash Flow Statement:**

Cash Flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transaction of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Cash flows from operating, investing and financing activities of the company are segregated.

k. **Revenue recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation cludes income from Dividends, Interest and income from trading of shares and other financial instruments. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. Income from Investment is recognized on the terms of the agreements and when the investment/trade is made.



1. **Financial instruments**

(i) **Financial Assets**

A. Initial recognition and measurement:

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

B. Subsequent measurement

A financial asset which is not classified in any specific categories are measured at fair value through profit or loss.

C. Investment in Associates

The Company has accounted for its investments in associates at cost.

D. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to :

(1) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

(2) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further the company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

C. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Depreciation / amortisation and useful lives of property plant and equipment.

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b. Recoverability of trade receivable.

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.



e. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

D. FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

a) Exemptions from retrospective application:

i) Fair value as deemed cost exemption:

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date.

ii) Investments in Associates

The Company has elected to measure investment in Associate at cost.



PUNIT COMMERCIALS LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880

Note 2 Plant, Property and Equipments

Particulars	Gross Block				Accumulated Depreciation						Net Block			
	As at 1st April, 2016	Additions / (Deductions) Adjustments	As at 1st April, 2017	Additions/ (Disposals)	As at 31st March, 2018	As at 1st April, 2016	Additions/ (Deductions)	As at 1st April, 2017	Depreciation for the year	On disposals	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2017	As at 1st April, 2016
a Tangible Assets														
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	1,114,340	-1,114,340	-	-	-	751,884	-751,884	-	-	-	-	-	-	362,456
Office equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Computers	35,700	-	35,700	-	35,700	11,956	11,306	23,262	11,306	-	34,568	1,132	12,438	23,744
Others (specify nature)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets under lease (specify nature)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,150,040	-1,114,340	35,700	-	35,700	763,840	-740,578	23,262	11,306	-	34,568	1,132	12,438	386,200

Where sums have been written off on a reduction of capital or revaluation of assets or where sums have been added on revaluation of assets.

Particulars	Years								
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Asset details:									
Balance as at 1st April	-	-	-	-	-	-	-	-	0
Impairment/ Revaluation	-	-	-	-	-	-	-	-	0
Balance as at 31st March	-	-	-	-	-	-	-	-	-



PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880

Note 3 NON CURRENT INVESTMENTS

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	Rupees	Rupees	Rupees
A Other Investments			
(a) Investment in Equity instruments	1,392,300	1,392,300	1,392,300
Total Other Investments	1,392,300	1,392,300	1,392,300
Less : Provision for diminution in the value of Investments	-	-	-
Total Non Current Investments	1,392,300	1,392,300	1,392,300

Particulars	2018	2017	2016
	Rupees	Rupees	Rupees
Aggregate amount of quoted investments (Market value of ` NIL (Previous Year ` NIL)	-	-	-
Aggregate amount of unquoted investments (Market value of ` NIL (Previous Year ` NIL)	1,392,300	1,392,300	1,392,300

67

Details of Other Investments															
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units			Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)			Amount (`)			Whether stated at Cost?	If Answer to Column (9) is 'No' Basis of Valuation
			2018	2017	2016			2018	2017	2016	2018	2017	2016		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
a.	Investment in Equity Instruments	Associate	1,560	1,560	1,560	Unquoted	Fully Paid	33.91%	33.91%	33.91%	1,392,300	1,392,300	1,392,300	Yes	
	Total										1,392,300	1,392,300	1,392,300		



PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

Note 4 OTHER NON CURRENT ASSETS

Particulars	March 31, 2018		March 31, 2017		April 1, 2016	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
a. Security Deposits						
Secured, considered good						
Insurance Deposit		-		5,000		5,000
Unsecured, considered good						
Sales Tax Deposits		-		25,000		25,000
Total (b)		-		30,000		30,000
Total Other Non-Current Assets		-		30,000		30,000

Details of debts due by related parties

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	Rupees	Rupees	Rupees
Directors *	-	-	-
Other officers of the Company *	-	-	-
Firm in which director is a partner *	-	-	-
Private Company in which director is a member	-	-	-
Total debts due by related parties	-	-	-

*Either severally or jointly



PUNIT COMMERCIALS LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

PUNIT COMMERCIALS LIMITED
 CIN : L51900MH1984PLC034880

Note 5 INVENTORIES

Particulars	As on 31st March, 2018		As on 31st March, 2017		As on 1st April, 2016	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
Quoted Shares						
Equity Shares / Instrument:						
3M India Ltd.			55	609,638		
Aditya Birla Fashion and Retail Ltd.					2,000	421,925
Bajaj Telefilms Ltd.	999	169,326				
Bhandari Hosiery Exports			135,000	353,700		
Bharat Fin Inclusion			500	415,401		
Biocon					17,000	8,430,016
Camlin Fine Sciences	7,000	688,912				
Country Club			9,000	85,705	9,000	85,705
Dish TV					21,000	1,566,574
Electrosteel Steels Ltd	50,000	324,500				
GVKPIL			95,000	655,891	85,000	605,950
JHS Svend Lab Ltd.			99,000	3,796,673		
KDDL Limited			5,000	881,300		
Manapuram Finance Ltd.					205,000	5,678,383
MCX Ltd.			1,100	1,311,064		
Motherson Sumi Systems	5,000	1,633,942	2,000	684,540		
NBCC India Ltd	4,000	944,275				
Orient Green Power Co.			165,000	1,692,948	200,000	2,818,933
Polyplex Corporation	3,200	1,768,924				
Radico Khaitan Ltd.			9,000	1,095,721		
S.H.Kelkar & Co					3,000	716,123
Sadbhav Infra Projects Ltd	8,630	1,174,586				
Sunflag Iron & Steel Ltd	18,000	1,674,498				
Sunpharma Adv. Research	2,300	1,108,980				
Suzlon Energy			665,000	10,922,168		
TATA Motors DVR Ltd	1,800	336,244				
Tilaknagar Industries			25,000	333,000		
Ujjivan Fin Services			4,000	1,782,919		
Vedanta Limited					20,000	1,472,232
Yes Bank Ltd	5,000	1,622,770				
Unquoted						
Digital E Life Pvt Ltd.	-	-	-	-	3,611	1,083,914
Total Inventories	105,929	11,446,956	1,214,655	24,620,668	565,611	22,879,754

Note 6 TRADE RECEIVABLES

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
	Rupees	Rupees	Rupees
A. Trade receivables outstanding for a period less than six months from the date they are due for payment			
Unsecured, considered good	1,371,921	719,617	999,131
	1,371,921	719,617	999,131
Less: Provision for doubtful debts	-	-	-
Sub Total (A)	1,371,921	719,617	999,131
B. Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered doubtful	885	-	-
	885	-	-
Less: Provision for doubtful debts	-	-	-
Sub Total (B)	885	-	-
Total Trade Receivables (A+B)	1,372,806	719,617	999,131
Details of Debts Due from Related Parties			
	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
	Rupees	Rupees	Rupees
Directors *	-	-	-
Other officers of the Company *	-	-	-
Firm in which director is a partner *	-	-	-
Private Company in which director is a member	-	-	-
Total Debts Due by Related Parties	-	-	-

*Either severally or jointly



PUNIT COMMERCIALS LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

Note 7 CASH AND CASH EQUIVALENTS

Particulars	As on 31st March, 2018		As on 31st March, 2017		As on 1st April, 2016	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
A. Balances with banks*						
Bank of Baroda	52,685		71,691		47,159	
Bank of India	9,728		10,190		10,190	
ICICI Bank	108,920		108,920		-	
IndusInd Bank	10,001		10,001		24,001	
OBC	171,891		947,877		143,126	
SBI	-	353,224	5,005	1,153,683	5,807	230,287
B. Cash on hand*		126,744		126,744		91,744
C. Flexi Deposits and interest accrued thereon		798,686	-	-	-	-
Total Cash and cash equivalents (A+B+C+D)		1,278,654		1,280,427		322,026

*Repatriation restrictions, if any, in respect of cash and bank balances shall be separately stated.

Note 8 OTHER CURRENT ASSETS

Particulars	As on 31st March, 2018		As on 31st March, 2017		As on 1st April, 2016	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
A. Loans and advances to related parties (refer note 2)						
Secured, considered good		-		-		-
Unsecured, considered good		-		-		-
Doubtful		-		-		-
Less: Provision for doubtful loans and advances		-		-		-
Sub Total (A)		-		-		-
B. Others						
To be recoverable in cash or in kind for the value to be received.		1,745,131		1,438,182		13,068
Sub Total (B)		1,745,131		1,438,182		13,068
Total Short-term loans and advances (A+B)		1,745,131		1,438,182		13,068



PUNIT COMMERCIALS LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

PUNIT COMMERCIALS LIMITED
 CIN : L51900MH1984PLC034880

Note 9 SHARE CAPITAL

Share Capital	March 31, 2018		March 31, 2017		April 1, 2016	
	Number	Rupees	Number	Rupees	Number	Rupees
Authorized Equity Shares of ` 10 each	250,000	2,500,000	250,000	2,500,000	250,000	2,500,000
Issued, Subscribed & Paid up Equity Shares of ` 10 each fully paid	240,000	2,400,000	240,000	2,400,000	240,000	2,400,000
Total	240,000	2,400,000	240,000	2,400,000	240,000	2,400,000

a) Reconciliation of Shares outstanding at the Beginning & at the End of the Year.

Particulars - Equity Shares	March 31, 2018		March 31, 2017		April 1, 2016	
	Number	Rupees	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	240,000	2,400,000	240,000	2,400,000	240,000	2,400,000
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	240,000	2,400,000	240,000	2,400,000	240,000	2,400,000

NIL Equity Shares (NIL Previous year) are held by None, the holding company.

b) Details of Shareholders Holding more than 5% Equity Shares in the Company

Name of Shareholder	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Nirav Mehta	49,550	20.65%	49,550	20.65%	49,550	20.65%
Purnima Mehta	53,850	22.44%	53,850	22.44%	53,850	22.44%
Priya Mehta	32,330	13.47%	32,330	13.47%	32,330	13.47%
Subir Diamonds P. Ltd	31,550	13.15%	31,550	13.15%	31,550	13.15%
Kartik Biharilal Shah	14,200	5.92%	14,200	5.92%	14,200	5.92%

c) Terms/Rights attached to Equity Shares

The company has only one class of shares referred to as equity shares having a par value of Rs 10/- per share
 Each holder of equity shares is entitled to one vote per share

Note 10 Other Equity

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	Rupees	Rupees	Rupees
a. General Reserve			
Opening Balance	245,000	245,000	245,000
(+) Current Year Transfer	-	-	-
(-) Written Back in Current Year	-	-	-
Closing Balance	245,000	245,000	245,000
b. Surplus			
Opening balance	11,617,594	10,313,465	12,888,609
(+) Net Profit/(Net Loss) For the current year	-2,141,329	1,254,016	-2,575,144
(+) Transfer from Reserves	-	-	-
(+) Adjustment for taxation	-	50,113	-
(-) Proposed Dividends	-	-	-
(-) Interim Dividends	-	-	-
(-) Transfer to Reserves	-	-	-
Closing Balance	9,476,265	11,617,594	10,313,465
Total Reserves & Surplus	9,721,265	11,862,594	10,558,465

Note 11 DEFERRED TAX LIABILITY (NET)

The Company has accounted for taxes on income in accordance with AS-22 - Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India. Consequently, the net incremental deferred tax (liability) / asset is charged / credited to Profit and Loss Account. The year end position of taxes on income is as under:

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Deferred tax liability			
Fixed Assets : Impact of Difference between tax depreciation and depreciation / Others	-392	1,990	5,862
Gross deferred tax liability	(392)	1,990	5,862
Deferred tax asset			
Impact of expenditure charged to the statement of profit and loss in the current year	-	-	-
Others	-	-	-
Gross deferred tax asset	-	-	-
Net deferred tax liability / (asset)	(392)	1,990	5,862



PUNIT COMMERCIALS LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

Note 12 LONG-TERM BORROWINGS

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	Rupees	Rupees	Rupees
Secured			
From Others			
Phillip Finance & Investment Services I Pvt Ltd (Secured by Pledge of Listed Equity Shares)	3,383,648	12,879,605	12,209,713
Total Secured Long Term Borrowings	3,383,648	12,879,605	12,209,713
In case of continuing default as on the balance sheet date in:			
1. Period of default - None			
2. Amount - NIL			
Unsecured			
(a) Loans and advances from related parties	1,582,155	82,155	703,685
Total Unsecured Long Term Borrowings	1,582,155	82,155	703,685
In case of continuing default as on the balance sheet date in:			
1. Period of default - None			
2. Amount - NIL			
Total Long Term Borrowings	4,965,803	12,961,760	12,913,398

Note 13 TRADE PAYABLES

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	Rupees	Rupees	Rupees
(a) Trade Payables	27,187	2,167,108	-
(b) Others	-	-	-
Total Trade Payables	27,187	2,167,108	-

Note 14 OTHER FINANCIAL LIABILITIES

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	Rupees	Rupees	Rupees
(a) Other payables (As per Annexure)	123,117	100,180	139,194
Total Current Liabilities	123,117	100,180	139,194

Note 15 SHORT TERM PROVISIONS

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	Rupees	Rupees	Rupees
(a) Provision for employee benefits			
Salary & Reimbursements	-	-	-
Contribution to PF	-	-	-
Gratuity (Funded)	-	-	-
Leave Encashment (funded)	-	-	-
Superannuation (funded)	-	-	-
ESOP /ESOS	-	-	-
(b) Others	-	-	-
(b) Others (Specify nature)			
Provision for Taxation	-	-	5,559
Total Short Term Provisions	-	-	5,559



PUNIT COMMERCIALS LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

PUNIT COMMERCIALS LIMITED
 CIN : L51900MH1984PLC034880

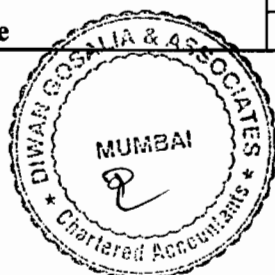
Note 16 REVENUE FROM OPERATIONS

In respect of a company other than a finance company revenue from operations shall disclose separately in the notes revenue from

Particulars	Current Year		Previous Year	
	Rupees	Rupees	Rupees	Rupees
Sale of Shares	185,069,595		81,576,041	
Less: Service Tax and Other Charges	-		-	
Less: STT	-	185,069,595	-	81,576,041
FNO Income / (Loss)			-	
Less: Service Tax and Other Charges		-	-	-
Net Revenue From Operations		185,069,595		81,576,041

Note 17 OTHER INCOME

Particulars	Current Year		Previous Year	
	Rupees	Rupees	Rupees	Rupees
Interest Income (in case of a company other than a finance company)				
Interest on I.T.Refund A.Y.2016-17	-		99	
Interest on Term Deposits	51,930	51,930	-	99
Dividend Income		55,590		114,000
FNO Income / (Loss)	(1,802,993)		(272,914)	
Less: STT	(34,285)		(85,884)	(358,798)
Less: Service Tax and Other Charges	-	(1,837,278)		
Speculation Income	484,377		(21,694)	
Less: Service Tax and Other Charges	(21,177)		(8,858)	
Less: STT	(21,126)	442,074	(8,328)	(38,881)
Income/(Loss) From Currency - Trading	43,708		-34,302	
Less: Service Tax and Other Charges	(138,443)	(94,735)	-6,604	(40,906)
Income from MCX		-		(248,820)
Other non-operating income (net of expenses directly attributable to such income)		2,800	0	-
Commission	-	-		-
Total Other Income		(1,379,620)		(573,306)



PUNIT COMMERCIALS LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

PUNIT COMMERCIALS LIMITED
 CIN : L51900MH1984PLC034880

Note 18 PURCHASE OF STOCK IN TRADE

Particulars	Current Year		Previous Year	
	Rupees	Rupees	Rupees	Rupees
Purchase of Shares		168,993,786		76,910,350
Total Purchases		168,993,786		76,910,350

Note 19 (INCREASE) / DECREASE IN INVENTORIES

Particulars	Current Year		Previous Year	
	Rupees	Rupees	Rupees	Rupees
Inventories at the end of the year				
Shares	11,446,956		24,620,667	
Raw Materials	-		-	
Traded Goods	-		-	
Work in Progress	-		-	
Finished Goods	-	11,446,956	-	24,620,667
Inventories at the beginning of the year				
Shares	24,620,667		22,879,754	
Raw Materials	-		-	
Traded Goods	-		-	
Work in Progress	-		-	
Finished Goods	-	24,620,667	-	22,879,754
Net (Increase) / Decrease in Inventories		13,173,711		-1,740,914

Note 20 EMPLOYEE BENEFIT EXPENSES

Particulars	Current Year		Previous Year	
	Rupees	Rupees	Rupees	Rupees
(a) Salaries, Wages and bonus				
Salaries	1,197,660		1,005,660	
Directors' Remuneration	-	1,197,660		1,005,660
Total Employee Benefit Expenses		1,197,660		1,005,660

Note 21 FINANCE COST

Particulars	Current Year		Previous Year	
	Rupees	Rupees	Rupees	Rupees
Interest expenses				
Interest on bank limits	-		-	
Interest on Loan	601,910		1,270,643	
Interest on Statutory Dues	-		250	
Interest to Shareholders	-	601,910		1,270,893
Other borrowing costs				
L.C. Charges				
Bank Charges		7,363		3,193
Total Finance Cost		609,273		1,274,085

Note 22 OTHER EXPENSES

Particulars	Current Year		Previous Year	
	Rupees	Rupees	Rupees	Rupees
Auditors' Remuneration	35,400		69,000	
Advertisement	34,785		28,610	
Appeal Fees	-		1,000	
Data Processing Charges	72,640		64,000	
Demat Charges	43,912		28,897	
Listing Fees	333,665		279,641	
Loss on Sale of Motor Car	-		121,704	
Membership charges	1,124		1,124	
Motor Car Expenses	2,161		14,414	
Office Expense	2,329		-	
Office Rent	24,000		1,140	
Company Profession Tax	-		2,500	
Professional Fees and Legal Fees	283,730		412,929	
ROC Charges	2,050		4,090	
Service Tax and Other Charges	624,498		678,935	
STT	366,793		163,986	
TDS w/off	174		7,200	
Website Expenses	10,320		10,182	
		1,837,581		1,891,352
Total Other Expenses		1,837,581		1,891,352



PUNIT COMMERCIALS LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

Note 23 Auditors' remuneration in accordance with paragraph 5 of part II of Schedule III to the Companies Act, 2013 is as under:

Particulars	2017-18	2016-17
As Auditors	35,400	51,750
Taxation matters	-	17,250
Company law matters	-	-
Management services	-	-
Other Services	14,160	-
Reimbursement of expenses	-	-
	49,560	69,000

Note 24 Break up for Sales is as under:

Particulars	2017-18	2016-17
Gross Sales	185,069,595	81,576,041
Less: Indirect Taxes collected	-	-
	185,069,595	81,576,041

Note 25 Earning per share is calculated as under:

Particulars	2017-18	2016-17
<i>Basic earning per share</i>		
Net profit after Taxation	(2,141,329)	1,254,016
Number of shares issued (Nominal Value RS.10)	240,000	240,000
Basic earning per share	(9)	5.23
<i>Diluted earning per share</i>		
Net profit after Taxation	(2,141,329)	1,254,016
Number of shares issued (Nominal Value RS.10)	240,000	240,000
Diluted earning per share	(9)	5.23

Note 26 "The Micro, Small and Medium Enterprise Development Act, 2006" has repealed the provision of interest on delayed payment to small scale and ancillary industrial undertaking Act, 1993. The management does not find it necessary to provide for interest on delayed payments to the suppliers covered by the said Act in view of insignificant amount and probability of its outgo.

Note 27 Related Party Disclosures are given below:

A. Relationships:

Category I: Holding Company NIL

Category II: Key management Personnel

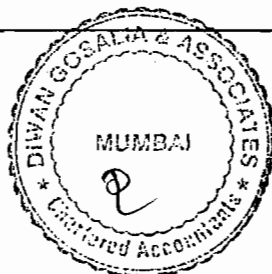
Nirav P. Mehta, Purnima P. Mehta, Sujit Mehta

Category III: Others (Relatives of Key Management Personnel and Entities in which the Key Management Personnel have control or significant influence)

Subir Diamonds Private Ltd., Priya Nirav Mehta & Siddhi Sujit Mehta

B. Transactions with related Parties:

TRANSACTIONS DURING THE YEAR	Relationship	Current Year Rs. in Lakhs	Previous Year Rs. in Lakhs
Opening Balances	Key Managerial Persons & Relative of KMP	0.82	7.03
Loans & Advances received during the year	Key Managerial Persons & Relative of KMP		7.67
Amounts repaid during the year	Key Managerial Persons & Relative of KMP		13.88
Professional Fees	Others		0.72
Sales	Others		-
Closing Balances	Key Managerial Persons		0.82



Notes to financial Statement for the year ended March 31, 2018
(All amounts in INR, unless otherwise stated)

Note : 28

**First-time adoption of Ind AS
Transition to Ind AS**

These are the companies first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous IGAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following tables and notes. On transition, the Company did not revise estimates previously made under GAAP except where required by Ind AS.

A Ind AS optional exemptions

(a) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the Financial Statements as at the date of transition to Ind AS, measured under IGAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment properties at their IGAAP carrying value in their Financial Statements.

(b) Investment in subsidiaries, joint ventures and associates

Ind AS 101 permits a first-time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at date of transition to Ind AS of the Company, or IGAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary companies, associate company and joint venture company under IGAAP carrying amount as its deemed cost on the transition date.

(c) Business Combination

Ind AS 101 provides the option to apply Ind AS 103 'Business Combination' prospectively from the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. Business combinations occurring prior to the transition date have not been restated.

B Ind AS mandatory exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (Investments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



PUNIT COMMERCIALS LIMITED
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Note 28.1 **FIRST TIME ADOPTION OF IND AS - RECONCILIATIONS STATEMENTS**
Effect of Ind AS adoption on the Balance sheet as at 31st March, 2017 and 1st April, 2016

Particulars	Notes	As at 31st March, 2017			As at 1st April, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS							
Non-Current Assets							
Property, Plant and Equipment		12,438	-	12,438	386,200	-	386,200
Intangible Assets		-	-	-	-	-	-
Financial Assets							
Investments		1,392,300	-	1,392,300	1,392,300	-	1,392,300
Other Non Current Assets		30,000	-	30,000	30,000	-	30,000
Total Non Current Assets		1,434,738	-	1,434,738	1,808,500	-	1,808,500
Current Assets							
Inventories		24,620,668	-	24,620,668	22,879,754	-	22,879,754
Financial Assets							
Investments							
Trade Receivables		719,617	-	719,617	999,131	-	999,131
Cash and Cash Equivalents		1,280,427	-	1,280,427	322,026	-	322,026
Current Tax Assets (Net)							
Other Current Assets		1,438,182	-	1,438,182	-	-	-
Total Current Assets		28,058,894	-	28,058,894	24,200,911	-	24,200,911
TOTAL ASSETS		29,493,632	-	29,493,632	26,009,411	-	26,009,411
EQUITY AND LIABILITIES							
Equity							
Equity Share Capital		2,400,000		2,400,000	2,400,000		2,400,000
Other Equity		11,862,594		11,862,594	10,558,465		10,558,465
Total Equity		14,262,594	-	14,262,594	12,958,465	-	12,958,465
Liabilities							
Non-Current Liabilities							
Deferred Tax Liabilities		1,990.00		1,990	5,862		5,862
Long Term Borrowings		12,961,760		12,961,760	12,913,398		12,913,398
Total Non-Current Liabilities		12,963,750	-	12,963,750	12,919,260	-	12,919,260
Current Liabilities							
Financial Liabilities							
Trade Payables		2,167,108		2,167,108	-		-
Other Financial Liabilities		100,180		100,180	139,194		139,194
Provisions		-		-	5,559		5,559
Total Current Liabilities		2,267,288	-	2,267,288	144,753	-	144,753
Total Liabilities		15,231,038	-	15,231,038	13,064,013	-	13,064,013
Total Equity and Liabilities		29,493,632	-	29,493,632	26,022,478	-	26,022,478



PUNIT COMMERCIALS LIMITED
CIN : LS1900MH1984PLC034880

Note 28.2 **Effect of Ind AS adoption on the Statement of Profit and loss for the year ended 31st March,2017**

	Notes	Year Ended 31 st March, 2017		
		Previous GAAP	Effect of transition to Ind AS	Amt. in Rupees As per Ind AS
INCOME				
Revenue from Operations		81,576,041	-	81,576,041
Other Income		(573,306)	-	(573,306)
Total Revenue (I)		81,002,735	-	81,002,735
EXPENSES				
<u>Cost of materials consumed</u>				
Purchases of Stock-in-Trade		76,910,350	-	76,910,350
Changes in the inventories of finished goods work-in-progress and Stock-in-Trade		(1,740,914)	-	(1,740,914)
Employee Benefits Expense		1,005,660	-	1,005,660
Depreciation and Amortisation Expense		107,058	-	107,058
Finance Cost		1,274,085	-	1,274,085
Other Expenses		1,891,352	-	1,891,352
Total Expenses (II)		79,447,591	-	79,447,591
Loss before Tax		1,555,144	-	1,555,144
Tax Expense				
Current Tax		305,000	-	305,000
Deferred Tax		(3,872)	-	(3,872)
		301,128	-	301,128
Profit for the Year		1,254,016	-	1,254,016



PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880

Note 28.3 Reconciliation of Profit and Other Equity between IndAS and Previous GAAP

Particulars	Notes	<u>Net Profit</u>	<u>Other Equity</u>	
		Year ended 31st March, 2017	As at 31st March, 2017	As at 1st April, 2016
Net Profit / Other Equity as per Previous Indian GAAP		11,617,594	11,862,594	10,558,465
Fair Value adjustment of Non-current Assets		0	0	0
Fair Value adjustment of Current Assets		0	0	0
Deferred Tax impact on Fair Value adjustment of investments.		0	0	0
Employee Benefits - Actuarial Gain / (Loss) Adjustments.		0	0	0
Income Tax impact of above adjustments.		0	0	0
Proposed Dividend.		0	0	0
Total		0	0	0
Net profit before OCI / Other Equity as per Ind AS		11,617,594	11,862,594	10,558,465

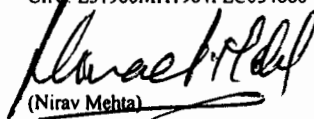
Note 29 These financial statements are the Company's first Ind AS financial statements and accordingly previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year's classification.

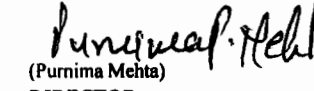
As per our report of even date.
For **DIWAN GOSALIA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 111881W


(HITESH DIWAN)
Partner.
Membership No.35079
Place : Mumbai
Date: 30th May, 2018

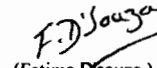


For and on behalf of the Board of Directors
PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880


(Nirav Mehta)
DIRECTOR
DIN : 00518814


(Purnima Mehta)
DIRECTOR
DIN : 00518991


(Sujit Mehta)
DIRECTOR
DIN : 01718827


(Fatima D'Souza)
CFO

Place : Mumbai
Date: 30th May, 2018

PUNIT COMMERCIALS LIMITED

L51900MH1984PLC034880

**Registered Office: AW 2022, "A" Tower, Bharat Diamond Bourse, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051**

ATTENDANCE SLIP

(To be presented at the Entrance)

Thirty – Third Annual General Meeting of the Company held on Saturday, 11th August, 2018 at 10.00 a.m. at AW 2022, "A" Tower, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

Folio No.: DP ID No.: Client ID No.:

Name of the Member: Signature:

Name of the Proxyholder: Signature:

1. Only Member / Proxyholder can attend the Meeting.
2. Member / Proxyholder should bring his / her copy of the Annual Report for reference at the Meeting.

PUNIT COMMERCIALS LIMITED**FORM MGT – 11****PROXY FORM**

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L51900MH1984PLC034880
Name of the Company:	PUNIT COMMERCIALS LIMITED
Registered Office:	AW 2022, "A" Tower, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
Email ID:	fatimad@punitcommercials.com
Folio No /Client ID / DP ID:	

I/We, being the member (s) of _____ shares of the above named company, hereby appoint:

1.	Name		
	Address		
	Email Id	Or failing him	
	Signature		
2.	Name		
	Address		
	Email Id	Or failing him	
	Signature		
3.	Name		
	Address		
	Email Id	Or failing him	
	Signature		

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on the Saturday, 11th August, 2018 at 10.00 a.m. at AW 2022, "A" Tower, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 and at any adjournment thereof in respect of such resolutions as indicated below:

Sr. No.	Resolutions	For	Against
1.	Adoption of Financial Statements for the year ended 31 st March, 2018		
2.	Re-appointment of Mr. Nirav Mehta, who retires by rotation		
3.	Appointment M/s. Diwan Gosalia & Associates, Chartered Accountants as Statutory Auditors and to fix their remuneration		
4.	Adoption of new set of Articles of Association of the Company		

Signed this _____ day of _____ 2018.	<div style="border: 2px solid black; padding: 10px; width: fit-content; margin: auto;"> Affix revenue stamp </div>
Signature of shareholder : _____	
Signature of Proxy Holder(s): _____	

NOTE: The Proxy Form in order to be effective should be completed and deposited at the Registered Office of the Company not less than 48 before the commencement of the Meeting.

BOOK - POST

To

**If undelivered, please return to
PUNIT COMMERCIALS LIMITED
AW 2022, "A" Tower,
Bharat Diamond Bourse,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051**

