

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

Place: Mumbai
Date: 30th May, 2018



By order of the Board
For Punit Commercial Limited

Nirav Mehta
Nirav Mehta
Managing Director

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.