

PUNIT COMMERCIALS LTD

**26TH
ANNUAL
REPORT**

2010-2011



PUNIT COMMERCIALS LTD.

REGD OFFICE : 903, PRASAD CHAMBERS, OPERA HOUSE, MUMBAI - 400 004.

PUNIT COMMERCIALS LTD.

DIRECTORS : MR. NIRAV P. MEHTA
MR. SUJIT S. MEHTA
MRS. PRIYA N. MEHTA
MRS. PURNIMA P. MEHTA

REGISTERED OFFICE : 903 PRASAD CHAMBERS,
TATA ROAD NO. 2.
OPERA HOUSE,
MUMBAI – 400 004.

BANKERS : 1) ORIENTAL BANK OF COMMERCE
2) BANK OF BARODA
3) STATE BANK OF INDIA
4) BANK OF INDIA

AUDITORS

M/S. K.P. MEHTA & CO.,
CHARTERED ACCOUNTS

A/6, VIMAL APARTMENTS, 2ND FLOOR,
ABOVE SYNDICATE BANK, JUHU LANE,
ANDHERI (WEST)
MUMBAI – 400058

REGISTRAR

&
SHARE TRANSFER AGENT

M/S. SHAREX DYNAMIC (I) PVT. LTD,

UNIT -1, LUTHRA IND. PREMISES, SAFED POOL,
ANDHERI KURLA ROAD, ANDHERI (E)
MUMBAI – 400 072

PUNIT COMMERCIALS LIMITED

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of **PUNIT COMMERCIALS LIMITED** will be held on Thursday, September 29th, 2011 at 11.00 a.m. at the Registered Office of the Company at 903 Prasad Chambers, Opera House, Mumbai-400 004 to transact the following business :-

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011, the Balance sheet as at that date and the Report of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mrs. Priya N. Mehta who retires by rotation and being eligible offers herself for re-appointment.
- 3) To appoint a Director in place of Mrs. Purnima P. Mehta who retires by rotation and being eligible offers herself for re-appointment.
- 4) To appoint the Auditors and to fix their remuneration.

NOTES :

- a. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY, PROXIES, IN ORDER TO BE VALID MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- b. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2011 to Thursday, 29th September, 2011, (both days inclusive).
- c. Members are requested to notify immediately any change in their address.
- d. Members or their proxies, as the case may be are requested to bring their copy of the Annual Report as no extra copies will be distributed at the meeting.
- e. Members are requested to send their queries, if any, well in advance of the meeting so that the required information can be made available at the meeting.

BY ORDER OF THE BOARD


NIRAV P. MEHTA
DIRECTOR

PLACE : MUMBAI

DATED: 4th July, 2011.

DIRECTORS REPORT

To,
THE MEMBERS OF PUNIT COMMERCIALS LIMITED,

Your Directors have pleasure in submitting the 26th Annual Report together with Audited statements of accounts of the company for the year ended on 31st March, 2011.

FINANCIAL RESULTS :

A brief summary of the working of the year under review of the company is given below.

	Current Year <u>2010-11</u>	Previous Year <u>2009-10</u>
Sales	17,19,03,960	8,47,30,448
Other Income	<u>27,43,060</u>	<u>1,12,129</u>
	<u>17,46,47,020</u>	<u>8,48,42,577</u>
Profit before Tax	1,55,739	1,09,718
Less:		
Provision for Income-Tax		
Income Tax	31,000	18,900
Fringe Benefit Tax	---	---
Deferred Tax	11,192	23,778
Prior Period Adjustment for Income tax	<u>(170)</u>	<u>1,992</u>
Profit after Tax	1,13,717	65,048
Add: Opening Balance b/f.	<u>1,25,04,777</u>	<u>1,24,39,729</u>
	<u>1,26,18,494</u>	<u>1,25,04,777</u>
<u>Appropriation:</u>		
(Excess)/Short Provision for Income tax	<u>22,000</u>	---
Balance carried to Balance Sheet	<u>1,25,96,494</u>	<u>1,25,04,777</u>

DIVIDEND :

Since there are insufficient profits in the current financial year, the Directors of the company decided not to declare any dividend.

COMPLIANCE CERTIFICATE :

In accordance with Section 383 A of the Companies Act, 1956, and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a certificate from a Secretary in the Whole time practice confirming that the Company has complied with all the provisions of the Companies Act, 1956 and a copy of such certificate is annexed to this report.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to Section 217 (2AA) of the Companies (Amendment Act, 2000), the Directors confirm that :

- (1) In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- (2) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are prudent so as to give a true and fair view of the state of affairs of the Company at the financial year ended 31st March, 2011.
- (3) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- Contd. 2/-

(4) The Directors have prepared the annual accounts on a going concern basis.

BUSINESS PERFORMANCE :

Due to the recession in the Diamond Market the company was not been able to maintain its sales and profit earning trend.

DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Associations, Smt. Priya N. Mehta and Smt. Purnima P. Mehta retires by rotation and being eligible offers themselves for re-appointment.

FIXED DEPOSITS :

The Company has not accepted any deposits from the shareholders or Public during the year under review.

**PARTICULARS REGARDING CONSERVATION OF ENERGY,
TECHNOLOGY, FOREIGN EXCHANGE :**

Information pursuant to Section 217(1)(a) of the Companies Act, 1956, read with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988 relating to Conservation of Energy and Technology Absorption is not given as the same is not applicable. During the year under review, your Company has earned foreign exchange equivalent to Rs.2,28,44,563/-.

PERSONNEL :

Particulars of employees as required in terms of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules 1975 is as under. None of the employees employed throughout the financial year were in receipt of remuneration of more than Rs.3,00,000/- p.a. in terms of Section 217(2A) (a)(1)

AUDITORS :

M/s. K. P. Mehta & Co., held office upto the conclusion of 25th Annual General Meeting and are eligible for re-appointment. M/s. K. P. Mehta & Co., have given certificate to the effect that the appointment if made will be within the prescribed limits specified under Section 224(1B) of the Companies Act, 1956.

ACKNOWLEDGEMENTS :

The Directors wish to place on record their sincere appreciation of the valuable support and co-operation received from the Company's Bankers and the Departments of the Central and State Governments.

The Directors also placed on record their sincere appreciation of the valuable contribution made by the employees at all levels under the difficult conditions prevailing throughout the financial year.

FOR AND ON BEHALF OF
PUNIT COMMERCIALS LTD.,



DIRECTOR.

Place : MUMBAI
Dated : 4th July, 2011.

KIRIT P. MEHTA

B. Com. (Hons.), LL. B. (Gen.) F. C. A.




K. P. MEHTA & CO.
CHARTERED ACCOUNTANTS

A/6, 2nd Floor, Vimal Apartment, Above Syndicate Bank, Juhu Lane, Andheri (West), Mumbai 400 058.
Phone (O) : 022 - 2670 2219 / 2625 3181 • Mob.: 9820229036 • Fax : 022 - 2625 2465 • E-mail : kpmehtaco@yahoo.com

AUDITORS' REPORT TO THE MEMBERS OF
PUNIT COMMERCIALS LTD.

1. We have audited the attached Balance Sheet of PUNIT COMMERCIAL LIMITED, as at 31st March, 2011 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred in paragraph (3) above, we report that:
 - a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company, as far as it appears from examination of the books.
 - c) The Balance Sheet, the Profit & Loss Account and the cash flow statement dealt with by this report are in agreement with the books of Accounts.
 - d) In our opinion, the Profit & Loss Account, the Cash Flow Statement and the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of the written representation received from the directors as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the Directors of the Company is prima facie disqualified as on 31st March, 2011 from being appointed as Directors of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principals generally accepted in India:-
 - 1) In the case of Balance Sheet of the states of affair of the Company as at 31st March, 2011;
 - 2) In case of the Profit & Loss account, of the Profit for the year ended on that date; and
 - 3) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K. P. MEHTA & CO.
Chartered Accountants
Firm Reg No. 106243W


(K.P.MEHTA)
Proprietor
M.NO. 32155

Mumbai, 4th July, 2011

PUNIT COMMERCIALS LIMITED

ANNEXURE TO AUDITORS' REPORT


Referred to in paragraph 3 of our report of even date on the Accounts for the year ended 31st March, 2011.

- (i) (a) The Company has maintained records showing full particulars including quantitative details and situation of fixed assets.
- (b) The management at reasonable intervals has physically verified the fixed assets and no material discrepancies were noticed on such verification.
- (c) No substantial part of fixed assets were disposed off during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. No discrepancy was noticed on verification of stocks.
- (iii) (a) The Company has taken a loan from three Parties covered in the register maintained under section 301 of the companies Act, 1956. The maximum amount involved during the year was Rs. 75.25 Lacs and the year-end balance of loans taken from such parties was 3.22 Lacs.
- (b) The loans have been granted and taken as Interest-free. Based on the audit procedures performed and in our opinion and according to the information and explanations given to us by the management, the other terms and conditions are not prime facie prejudicial to the interest of the company.
- (c) According to the information and explanations given to us and the books and records examined by us, there are no stipulations as regards repayment of principal amounts in respect of the interest free loans taken by the company.
- (d) According to the information and explanations given to us and the books and records examined by us, there is no stipulations as regards repayment and therefore, the question of overdue amounts does not arise.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lacs in respect of any party during the year, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of Section 58A and 58AA would apply..



- (vii) In view of the low volume of the transactions the Company has no formal internal audit department. However, its internal control procedures ensure reasonable internal checking of its financial and other records.
- (viii) As per the information given to us, maintenance of cost records has not been prescribed by the Central Government u/s. 209 (1) (d) of the Companies Act, 1956 in respect of the business of the Company.
- (ix) (a) According to the information and explanations given to us and the books and records examined by us, 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 authorities.
- (b) According to the information and explanations given to us and the books and records examined by us, there are no undisputed amounts payable in respect of the aforesaid dues which have remained outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.
- (x) The Company has incurred cash loss of Rs. NIL in the current year and there are no accumulated losses in the balance sheet as on 31st March, 2011.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) of the Order, are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not obtained term loans, hence the clause 4 (xiv) of the Order is not applicable.
- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that No funds raised on short-term basis have been used for long-term investment and vice-versa.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the act.
- (xix) The Company has not issued any debentures till date.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

FOR K. P. MEHTA & CO.
Chartered Accountants
Firm Reg No. 106243W


(K.P.MEHTA)
Proprietor
M.No. 32155

Mumbai, 04th July, 2011

PUNIT COMMERCIALS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011.

	SCHEDULE	AS ON 31-03-2011	AS ON 31-03-2010
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS FUNDS:			
A) SHARE CAPITAL	A	2,400,000.00	2,400,000.00
B) RESERVES & SURPLUS	B	12,768,493.79	12,654,776.80
LOAN FUNDS:			
UNSECURED LOANS	C	322,112.00	1,080,000.00
TOTAL		15,490,605.79	16,134,776.80

APPLICATION OF FUNDS

A) FIXED ASSETS	D		
Gross Block		1,114,340.00	1,114,340.00
Less: Depreciation written off till date		196,060.00	90,200.00
		<u>918,280.00</u>	<u>1,024,140.00</u>
B) INVESTMENTS	E	1,392,300.00	1,392,300.00
C) CURRENT ASSETS, LOANS & ADVANCES	F		
1) INVENTORIES			6,856,304.00
2) SUNDRY DEBTORS		28,274,762.00	42,521,316.00
3) CASH AND BANK BALANCES		3,404,804.79	1,499,890.80
4) LOANS AND ADVANCES		150,319.00	130,170.00
		<u>31,829,885.79</u>	<u>51,007,680.80</u>
Less: CURRENT LIABILITIES AND PROVISIONS	G	18,614,890.00	37,265,566.00
DEFERRED TAX LIABILITY		34,970.00	23,778.00
NET CURRENT ASSETS:		13,180,025.79	13,718,336.80
TOTAL		15,490,605.79	16,134,776.80

**SCHEDULE OF ACCOUNTING POLICIES
NOTES ON ACCOUNTS**

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The schedules referred to above form an integral part of the Balance Sheet

As per our report of even date

FOR K.P. MEHTA & CO.
Chartered Accountants
Firm Registration No. 106243W

FOR PUNIT COMMERCIALS LTD.

(K.P. MEHTA)

(NIRAV P. MEHTA) (PURNIMA P. MEHTA) (PRIYA N. MEHTA)

Proprietor
M. No. 32155

Directors

Mumbai, 4th July 2011

Mumbai, 4th July 2011.

PUNIT COMMERCIALS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011.

	<u>SCHEDULE</u>	<u>AS ON 31-03-2011</u>	<u>AS ON 31-03-2010</u>
<u>INCOME</u>			
SALES		171,903,960.00	84,730,448.00
OTHER INCOME	H	<u>2,743,060.31</u>	<u>112,129.00</u>
		<u>174,647,020.31</u>	<u>84,842,577.00</u>
<u>EXPENDITURE:</u>			
PURCHASES		161,214,194.00	85,366,778.00
INCREASE/DECREASE IN INVENTOR	I	6,856,304.00	(2,968,786.00)
MFG. & OTHER EXPENDITURE	J	6,314,923.32	2,244,667.04
DEPRECIATION	C	<u>105,860.00</u>	<u>90,200.00</u>
		<u>174,491,281.32</u>	<u>84,732,859.04</u>
PROFIT / (LOSS) BEFORE TAXATION		155,738.99	109,717.96
<u>Less:</u>			
PROVISION FOR TAXATION			
- INCOME TAX		31,000.00	18,900.00
- FRINGE BENEFIT TAX			
- DEFERRED TAX		11,192.00	23,778.00
PRIOR PERIOD ADJUSTMENT FOR INCOME TAX		<u>(170.00)</u>	<u>1,992.00</u>
PROFIT/ (LOSS) AFTER TAXATION		113,716.99	65,047.93
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		12,504,776.80	12,439,728.84
BALANCE AVAILABLE TO APPROPRIATIONS		<u>12,618,493.79</u>	<u>12,504,776.80</u>
<u>APPROPRIATIONS</u>			
Transfer to General Reserve		22,000.00	-
(Excess)/Short Provision for Income Tax			
BALANCE CARRIED FORWARD TO BALANCE SHEET		<u>12,596,493.79</u>	<u>12,504,776.80</u>
EARNINGS PER SHARE OF RS. 10/-, EACH (RS.)			
BASIC		0.47	0.27
DILUTED		0.47	0.27


**SCHEDULE OF ACCOUNTING POLICIES
NOTES ON ACCOUNTS**

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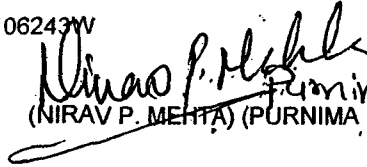
The schedules referred to above form an integral part of the Balance Sheet

As per our report of even date

FOR K.P. MEHTA & CO.
Chartered Accountants
Firm Registration No. 106243W


(K.P. MEHTA)
Proprietor
M. No. 32155

FOR PUNIT COMMERCIALS LTD.


(NIRAV P. MEHTA) (PURNIMA P. MEHTA) (PRIYA N. MEHTA)
Directors

Mumbai, 4th July 2011

Mumbai, 4th July 2011

PUNIT COMMERCIALS LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET

	AS ON 31-03-2011	AS ON 31-03-2010
<u>SCHEDULE - A</u>		
<u>SHARE CAPITAL</u>		
AUTHORISED:		
2,50,000 Equity shares of RS. 10/- each fully paid up	2,500,000.00	2,500,000.00
SUBSCRIBED & PAID UP:		
2,40,000 Equity shares of RS. 10/- each fully paid up	2,400,000.00	2,400,000.00
TOTAL	2,400,000.00	2,400,000.00
<u>SCHEDULE - B</u>		
<u>RESERVES & SURPLUS</u>		
GENERAL RESERVE:		
Opening Balance	150,000.00	150,000.00
Add: Transfer during the year	22,000.00	-
	172,000.00	150,000.00
PROFIT AND LOSS ACCOUNT (As per Account annexed)	12,596,493.79	12,504,776.80
TOTAL	12,768,493.79	12,654,776.80
<u>SCHEDULE - C</u>		
<u>UNSECURED LOANS</u>		
LOANS FROM DIRECTORS:	322,112.00	1,080,000.00
INTER CORPORATE LOANS	-	-
TOTAL	322,112.00	1,080,000.00
<u>SCHEDULE - E</u>		
<u>INVESTMENTS</u>		
UNQUOTED INVESTMENTS (LONG TERM):		
1,560 Equity Shares in Subir Diamond Pvt Ltd.	1,392,300.00	1,392,300.00
TOTAL	1,392,300.00	1,392,300.00
<u>SCHEDULE - F</u>		
<u>CURRENT ASSETS, LOANS & ADVANCES</u>		
CURRENT ASSETS:		
a) INVENTORIES		
(As taken valued & certified by the management)		
Rough Diamonds	-	6,856,304.00
Cut & Polished Diamonds	-	-
TOTAL a)	-	6,856,304.00



b) SUNDRY DEBTORS (Unsecured , considered good)		
Debts For a period less six months	-	7,201,478.00
Other Debts	28,274,762.00	35,319,838.00
TOTAL b)	28,274,762.00	42,521,316.00
c) CASH AND BANK BALANCES		
Cash on hand	93,572.00	93,572.00
Bank balances with scheduled banks		
Current Accounts	82,277.96	1,389,210.05
Fixed Deposits	1,493,519.00	-
EEFC Account	1,735,435.83	17,108.75
TOTAL c)	3,404,804.79	1,499,890.80
TOTAL 'A' = a)+b)+c)	31,679,566.79	50,877,510.80

LOANS & ADVANCES:

(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	86,683.00	107,296.00
Deposits	30,000.00	5,000.00
Advance Taxes	33,636.00	17,874.00
TOTAL 'B'	150,319.00	130,170.00

TOTAL 'A'+ 'B'

31,829,885.79	51,007,680.80
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SCHEDULE - G

CURRENT LIABILITIES AND PROVISIONS

CURRENT LIABILITIES:

Sundry Creditors	18,460,299.00	37,164,852.00
Dues to Directors	-	-
Other Liabilities	104,691.00	80,414.00
	18,564,990.00	37,245,266.00

PROVISIONS

Provision for Taxations	49,900.00	20,300.00
TOTAL	18,614,890.00	37,265,566.00

SCHEDULE - H

OTHER INCOME

Other Incomes	143.00	-
Interest Recd. On FD	74,815.00	61,147.00
Export Forward Contract Gain	1,492,139.00	50,982.00
Exchange Difference Gain (Net)	1,175,963.31	-
	2,743,060.31	112,129.00

SCHEDULE - I

INCREASE/DECREASE IN INVENTORY:

Opening Stock of Rough Diamonds	6,856,304.00	3,887,518.00
Less: Closing Stock of Rough Diamonds	-	6,856,304.00
TOTAL	6,856,304.00	(2,968,786.00)



PUNIT COMMERCIALS LIMITED

SCHEDULE OF FIXED ASSETS ANNEXED TO AND FORMING
PART OF THE BALANCE SHEET AS ON 31-03-2011.

DETAILS OF DEPRECIATION AS ON 31-03-2011. SCHEDULE - "D"

Sl. No.	PARTICULARS	%	GROSS BLOCK AS ON			DEPRECIATION		NET BLOCK AS ON			
			As at 31-03-2010	Additions	Deduction	As at 31-03-2011	Balance as on 31-03-2010	for the year	As at 31-03-2011	As at 31-03-2010	
1	Motor Car	9.5	1,114,340.00	-	-	1,114,340.00	90,200.00	105,860.00	196,060.00	918,280.00	1,024,140.00
	PREVIOUS YEAR		-	1,114,340.00	-	1,114,340.00	90,200.00	105,860.00	196,060.00	918,280.00	1,024,140.00
				1,114,340.00		1,114,340.00	90,200.00	105,860.00	196,060.00	918,280.00	1,024,140.00

NOTE:

1 The Company has provided Depreciation during the year under the Straight Line Method as per the rate prescribed in Schedule XIV of the Companies Act, 1956.



SCHEDULE - J

MANUFACTURING AND OTHER EXPENDITURE:

Advertising charges	35,332.00	-
Assortment Charges	391,213.00	51,286.00
Auditors Remuneration	63,992.00	58,994.00
Bank Charges	170,023.85	65,144.39
Bank Interest	60,005.55	-
Commission paid	589,530.00	17,290.00
Car Insurance	14,587.00	-
Data Processing Charges	28,800.00	24,000.00
Exchange Difference EEFC \$	6,301.92	2,072.81
Exchange Difference Loss(Net)	-	730,509.73
Foreign Travelling Expenses	540,733.00	58,202.00
Interest on late payment of TDS	5,540.00	-
Jewellery Block Policy	76,810.00	56,627.00
Labour Charges	3,498,943.00	291,060.00
Legal Fees	2,000.00	-
Listing Fees	36,250.00	36,512.00
Miscellaneous Expenses	45,500.00	107,633.00
Membership fees	9,927.00	-
Motor Car Expenses	20,639.00	-
Printing & Stationery	1,094.00	-
Professional Fees	78,218.00	61,327.00
Rebate & Discount	30,440.00	3.11
Staff Welfare	4,965.00	4,965.00
Salary	573,460.00	677,925.00
Travelling Expenses	30,619.00	-
VAT Refund W/Off	-	1,126.00
	<u>6,314,923.32</u>	<u>2,244,667.04</u>



PUNIT COMMERCIALS LIMITED

SCHEDULE - K

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011.

I . SIGNIFICANT ACCOUNTING POLICIES:

- 1) **Basis of Accounting:** The financial statements are prepared under historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company. Accounting Policies, not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.
- 2) Investments classified as Long-Term and are valued at Cost. Other Investments are valued at Lower of Cost or Market Value.
- 3) **Foreign Currency Transactions :**
 - a) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions.
 - b) Monetary items denominated in foreign currencies at the year end are translated at the exchange rate prevailing on the last date of the accounting year.
- 4) **Inventories:** Raw materials are valued at cost. Finished Goods are valued at net realisable value as certified by the director.
- 5) **Taxation:** The current charge for Income Taxes is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax assets and liabilities are recognised for future tax consequences attributable to the timing difference that results between the profit offered for income tax and the profit as per the financial statements. Deferred tax assets and liabilities are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.
- 6) **Sales:** Export sales are shown at CIF Value.

II NOTES ON ACCOUNTS:

- 1) Balance of Sundry Creditors, Sundry Debtors Loans & Advances are subject to confirmation.
- 2) In the opinion of the Board, Current Assets, Loans & Advances will have a value at least equal to the amount stated in the Balance Sheet if realised in the ordinary course of Business.

3) Details of Auditor's Remuneration:	<u>Current year</u>	<u>Previous year</u>
a) Audit fees	19,060	15,883
Tax Audit Fees	8,471	7,059
Other Capacity:		
Taxation Matters	36,461	36,044
	63,992	58,986
	63,992	58,986
4) Earnings per Share:		
a) Net Profit / (Loss) after Tax	113,717	65,048
b) Weighted Average Number of Equity shares of Rs. 10/- each outstanding during the year	2,40,000	240,000
c) Basic or Diluted Earnings per share (a/b)	0.47	0.27



5 ADDITIONAL INFORMATION UNDER PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956
AS CERTIFIED BY A DIRECTOR OF A COMPANY IS AS FOLLOWS:

		AS ON 31-03-2011		AS ON 31-03-2010	
a) OPENING STOCK:					
	Unit	Qty	Amount	Qty	Amount
Rough Diamonds	Carats	7,964.26	6,856,304.00	24,345.15	3,887,518.00
Polished Diamonds	Carats	-	-	-	-
		<u>7,964.26</u>	<u>6,856,304.00</u>	<u>24,345.15</u>	<u>3,887,518.00</u>
b) PURCHASED & MANUFACTURED:					
	Unit	Qty	Amount	Qty	Amount
Rough Diamonds	Carats	30,013.65	58,592,711.00	20,403.55	31,359,893.00
Polished Diamonds	Carats	9,723.00	102,621,483.00	3,792.10	54,006,885.00
Polished Diamonds Mfd	Carats	4,741.06	32,296,682.00	228.00	899,060.00
		<u>44,477.71</u>	<u>193,510,876.00</u>	<u>24,423.65</u>	<u>86,265,838.00</u>
c) SALES & CONSUMPTION					
	Unit	Qty	Amount	Qty	Amount
Rough Diamonds	Carats	22,359.45	36,120,142.00	35,167.44	28,458,541.00
Polished Diamonds	Carats	14,464.06	135,783,818.00	4,020.10	56,271,907.00
Rough Diamonds Consumed	Carats	15,618.46	28,797,738.00	1,617.00	608,000.00
		<u>52,441.97</u>	<u>200,701,698.00</u>	<u>40,804.54</u>	<u>85,338,448.00</u>
d) CLOSING STOCK:					
	Unit	Qty	Amount	Qty	Amount
Rough Diamonds	Carats	-	-	7,964.26	6,856,304.00
Polished Diamonds	Carats	-	-	-	-
		<u>-</u>	<u>-</u>	<u>7,964.26</u>	<u>6,856,304.00</u>
e) EXPENDITURE IN FOREIGN CURRENCY:					
		Amount	Amount		
Import of Rough Diamonds		14,328,692.00	15,482,229.00		
Foreign Exchange Fluctuations profit/(loss)		-	460,028.00		
		<u>14,328,692.00</u>	<u>15,942,257.00</u>		
f) EARNING IN FOREIGN CURRENCY:					
		Amount	Amount		
Export of Polished Diamonds on FOB Basis		19,774,184.00	31,454,694.00		
Export of Rough Diamonds on FOB basis		404,103.00	-		
Recovery of Freight & Insurance		-	-		
Foreign Exchange Fluctuations profit/(loss)		2,668,102.31	(1,190,537.73)		
Exchange Difference on EEFC Dollar		(1,826.75)	(2,072.81)		
		<u>22,844,562.56</u>	<u>30,262,083.46</u>		

6 RELATED PARTY DISCLOSURE:

(Based on disclosure made by Directors under the Companies Act, 1956)

a) List of Parties:

Where control exists: Subir Diamonds Pvt. Ltd.

Parties with whom the Transactions are carried out during the year:

Shri. Nirav P. Mehta
Smt. Purnima P. Mehta
Smt. Priya N. Mehta

b) Transactions with the Related Parties:

Parties	Nature of Transaction	Amount	Balance as at 31-03-2011.
Shri. Nirav P. Mehta	Loan taken	1,645,000.00	-
Smt. Purnima P. Mehta	Loan taken	5,829,500.00	322,112.00
Subir Diamonds Pvt. Ltd.	Purchases	96,087,701.00	-
Subir Diamonds Pvt. Ltd.	Sales	24,389,985.00	3,433,506.00
Smt. Priya N. Mehta	Loan taken	50,000.00	-

7 ADDITIONAL INFORMATION PURSUANT TO PART IV OF SCHEDULE VI
TO COMPANIES ACT, 1956.


BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE

a) <u>Registration details</u>	State code :11
Registration No.:	34880
Balance Sheet date :	31-03-2011
b) <u>Capital raised during the year</u>	
Public issue	NIL
Rights issue	NIL
Bous issue	NIL
Private Placement	NIL
c) <u>Position of Mobilisation and Deployment of Funds</u>	Rs. '000
Total Liabilities	15,491
Total Assets	15,491
Sources of Funds	
Paid up Capital	2,400
Reserves & Surplus	12,768
Secured Loans	NIL
Unsecured Loans	322
Application of Funds	
Net Fixed Assets	918
Investments	1,392
Net Current Assets	13,180
Miscellaneous Expenditure	NIL
Accumalated Losses	NIL
d) <u>Perfomance of the Company</u>	
Turnover(including Other Income)	174,647
Total Expenditure	174,491
Profit before Tax	156
Profit after Tax	114
Earnings per share in Rs.	0.47
Dividend rate %	NIL
e) <u>Generic names of principal products of the Company</u>	
Item Code No. (ITC Code)	710239-01
Product Description	Diamonds

8 Previous year figures have been regrouped and rearranged wherever necessary.

FOR K.P. MEHTA & CO.
Chartered Accountants
Firm Reg. No. 106243W

FOR PUNIT COMMERCIALS LTD.


(K.P. MEHTA)
Proprietor
M. No. 32155

  
(NIRAV P. MEHTA) (PURNIMA P. MEHTA) (PRIYA N. MEHTA)
Directors

Mumbai, 4th July 2011

Mumbai, 4th July 2011

GROUPING OF BALANCE SHEET ITEMS

1 LOANS FROM DIRECTORS & RELATED PARTIES:

a) DIRECTORS

Nirav P. Mehta
Purnima K. Mehta 322,112.00

b) Intercorporate loans

Subir Diamonds Pvt Ltd

322,112.00

2 SUNDRY DEBTORS:

More than six months:

Others:

Fortune Express Trading Ltd. 404,103.00
KGK Diamonds I. P. Ltd. 5,873,600.00
Subir Diamonds Pvt Ltd 3,433,506.00
Rosy Blue(I).Pvt. Ltd. 19,055,737.00
MI Trade (454,742.00)
Debtors Translation Control A/c. (37,442.00)

28,274,762.00

3 CASH/ BANK BALANCE:

Oriental Bank of Commerce 12,074.56
State Bank of India 10,893.00
Bank of India 9,591.00
Bank of Baroda 15,312.53
Kotak Mahindra Bank 34,406.87
82,277.96
FDR Margin Money (OBC) 1,055,782.00
Oriental Bank of Commerce - FDR 400,000.00
Interest accrued on FDR 37,737.00
Oriental Bank of Commerce - EEFC A/C. 1,735,435.83
Cash on hand 93,572.00
3,404,804.79

4 LOANS & ADVANCE:

Prepaid Expense 51,253.00
(Jewellery Block Policy)
Forward Contract Gain Receivable 35,430.00

86,683.00

5 DEPOSIT:

Oriental Insurance Co. Ltd. 5,000.00
Sales Tax Deposit 25,000.00

30,000.00

6 DETAILS OF ADVANCE TAX:

Advance Tax, TDS A. Y. 11-12 7,482.00
Advance Tax, TDS A. Y. 10-11 18,646.00
Advance Tax, TDS A. Y. 09-10 7,508.00

33,636.00

7 SUNDRY CREDITORS:

-For Goods



Anila Shah	1,770,497.00
APJ Exports	4,922,520.00
Fortune Express Trading Ltd.	214,831.00
Paresh Gems	2,423,900.00
R Suresh & Co.	9,147,983.00
Creditors Translation Control	(11,243.00)

-For Expenses

K.P. Mehta & Co.	40,261.00
Sampat & Mehta & Associates	15,070.00
R.K.Associates	6,480.00
Kesari Tours	(70,000.00)

18,460,299.00

8 OTHER LIABILITIES:

Profession Tax Payable	(175.00)
VAT payable	100,293.00
TDS Payable on Labour Charges	(2,296.00)
TDS Payable on P. Fees	6,869.00
	<u>104,691.00</u>

9 PROVISION FOR TAXATIONS

Provision of the Income Tax A. Y. 10-11	18,900.00
Provision of the Income Tax A. Y. 11-12	31,000.00
	<u>49,900.00</u>

10 SALES:

Local Sales (Rough Diamonds)	35,716,039.00
Local Sales (Cut & Polished Diamonds)	116,009,634.00
Export Sales (Rough Diamonds)	404,103.00
Export Sales (Cut & Polished Diamonds)	19,774,184.00
	<u>171,903,960.00</u>

11 PURCHASES:

Import (Rough Diamonds)	14,328,692.00
Local purchases (Cut & Polished Diamonds)	102,621,483.00
Local purchases (Rough Diamonds)	44,264,019.00
	<u>161,214,194.00</u>

12 MISCELLANEOUS EXPENSES:

Sundry Expenses	6,200.00
Clearing charges	39,300.00

45,500.00



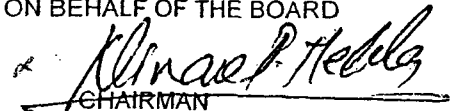
PUNIT COMMERCIALS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2011

(Pursuant to clause 32 of the listing agreement)

	31-03-2011 (RS. '000')	31-03-2010 (RS. '000')
A) <u>Cash flow from operating activities</u>		
Net profit as per P&L A/C before tax & extraordinary items	155.74	109.72
Add Non Operating Expenses/Incomes		
Depreciation	105.86	90.20
Less: Interest on FD	(74.82)	(61.15)
	<u>186.78</u>	<u>138.77</u>
Adjustments for Working Capital		
Inventories	6,856.30	(2,968.79)
Debtors	14,246.55	(36,438.26)
Loans & Advances Given	(4.39)	(59.29)
Creditors	(18,650.68)	36,729.50
Unsecured Loans repaid	(757.89)	850.00
Cash flow from Operating activities before Tax Paid	<u>1,876.69</u>	<u>(1,748.07)</u>
Taxes paid	(15.59)	(0.77)
VAT Paid	-	-
Cash flow from Operating activities	<u>1,861.10</u>	<u>(1,748.84)</u>
B) <u>Cash flow from Investment activities</u>		
Sale of Investments	-	-
Purchase of Fixed Assets	-	(1,114.34)
Investments purchased	-	-
Interest on FD Received	74.82	61.15
Cash flow from Investment activities	<u>74.82</u>	<u>(1,053.19)</u>
Net Increase/ (Decrease) in Cash & Cash Equivalents (A-B)	1,935.91	(2,802.03)
Add: Opening Balance of Cash & Cash Equivalents	<u>1,499.89</u>	<u>4,301.92</u>
Closing Balance of Cash & Cash Equivalents	<u>3,404.80</u>	<u>1,499.89</u>

FOR AND ON BEHALF OF THE BOARD


CHAIRMAN

Place: Mumbai
Dated: 04-07-2011

AUDITOR'S CERTIFICATE

We have verified the above Cash Flow Statement of Punit Commercials Ltd. derived from the audited annual financial statements for the years ended 31st March, 2009 and 31st March, 2011 and found the same to be drawn in accordance therewith and also with the requirements of Clause-32 of the listing agreements with stock exchanges.

FOR K. P. MEHTA & CO,
Chartered Accountants
Firm.Reg No. 106243W



Place: Mumbai
Dated: 04-07-2011

(K. P. MEHTA)
Proprietor
M. No. 32155

PUNIT COMMERCIALS LIMITED

Regd. Office: 903 Prasad Chambers, Opera House, Mumbai-400 004.

PROXY FORM

Folio No: _____ No. of shares held _____

I/We _____ of _____

_____ being a Member/Members of the above named Company hereby

appoint _____ of _____ in the district of

_____ as my/our proxy to vote for me/us on my/our behalf at the

TWENTY SIX ANNUAL GENERAL MEETING of the Company to be held on Thursday,

September 29th, 2011. and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Affix
1 Rupee
Revenue
Stamp

Note: The Proxy form should be deposited at the Registered Office of the Company forty-eight hours before the meeting.

PUNIT COMMERCIALS LIMITED

Regd. Office: 903 Prasad Chambers, Opera House,
Mumbai-400 004.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

TWENTY SIX ANNUAL GENERAL MEETING- SEPTEMBER 29TH, 2011.

I hereby record my presence at the TWENTY SIX ANNUAL GENERAL MEETING of the Company on Thursday, September 29th, 2011. at 11.00 a.m. at 903 Prasad Chambers, Opera House, Mumbai-400 004.

Full Name of Member in Block Letter _____

Folio No. _____

Full Name of Proxy (in block letters) _____

Member's / Proxy Signature _____

BOOK - POST
UNDER CERTIFICATE OF POSTING

To,

If not delivered, please return to :

PUNIT COMMERCIALS LIMITED
903 Prasad Chambers,
Opera House,
Mumbai-400 004.