

PUNIT COMMERCIALS LTD

To,

Date: 08.09.2022

BSE Limited

P.J. Towers, Dalal Street
Mumbai - 400001

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2021-22

Ref: Scrip Code 512099

With reference to the subject cited, pursuant to Regulation 34 of SEBI (LODR) Regulations 2015, we are herewith enclosing the 37th Annual Report of the Company for the Financial Year 2021-22.

The 37th Annual General Meeting is scheduled to be held on Friday, 30th September 2022 at 02:30 PM through video conference.

This is for the information and records of the Exchange, please.

Thanking you.

Yours sincerely,

For Punit Commercials Limited

Vinita Raj Narayanam

Managing Director
(DIN: 09319780)

Encl: as above

PUNIT COMMERCIALS LIMITED
CIN: L72100MH1984PLC034880

37th Annual Report
2021-2022

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CORPORATE INFORMATION

BOARD OF DIRECTORS

| | |
|---------------------------------|---|
| Ms. Vinita Raj Narayanam* | Managing Director (DIN: 09319780) |
| Ms. Anjana Ramesh Thakker* | Non-Executive Director (DIN: 09521916) |
| Mr. Suryaprakasa Rao Bommiseti* | Non-Executive & Independent Director (DIN: 08089189) |
| Ms. Aakanksha* | Non-Executive & Independent Director (DIN: 08792778) |

*Appointed w.e.f. 04.03.2022

| | |
|----------------------------------|--------------------------------------|
| Mr. Nirav Prabodh Mehta** | Managing Director (DIN: 00518614) |
| Ms. Purnima Prabodh Mehta** | Director (DIN: 00518991) |
| Mr. Sujit Suresh chandra Mehta** | Director (DIN: 01718827) |
| Mr. Himanshu Vijaybhai Kothari** | Director (DIN: 08373194) |

**Resigned w.e.f. 18.03.2022

CHIEF FINANCIAL OFFICER - Ms. Fatima Clifford D'souza (Resigned w.e.f. 18.03.2022)
Mr. Koteswara Rao Meduri (Appointed w.e.f. 07.09.2022)

COMPANY SECRETARY & COMPLIANCE OFFICER - Ms. Shikha Jain (Resigned w.e.f. 18.03.2022)
Ms. Priyanka Gattani (Appointed w.e.f.01.06.2022)

REGISTERED OFFICE - AW 2022, 'A' Tower, 2nd Floor, Bharat Diamond Bourse,
Bandra-Kurla Complex, Bandra E, Mumbai -400051,
Maharashtra. Ph. No.: 9247686168

- STATUTORY AUDITORS** - M/s. P R S V & Co. LLP,
Practicing Chartered Accountants.
202, Saptagiri Residency, 1-10-98/A, Chikoti Gardens,
Begumpet, Hyderabad - 500016
- SECRETARIAL AUDITORS** - M/s. Vivek Surana & Associates
Practicing Company Secretaries
Plot No.8-2-603/23/3, 2nd Floor, Banjara Hills,
Road No. 10, Hyderabad-500 034.
- INTERNAL AUDITORS** - M/s. S K S M & Associates
Practicing Chartered Accountants
Flat No. 401, 4th Floor, Vishnu's Habitat, H.No.6-3-
663/7K, Somajiguda, Hyderabad - 500082.
- BANKERS** - Punjab National Bank
ICICI Bank Ltd

AUDIT COMMITTEE

| | | |
|---------------------------------|---|----------|
| Mr. Suryaprakasa Rao Bommisetti | - | Chairman |
| Ms. Aakanksha | - | Member |
| Ms. Anjana Ramesh Thakker | - | Member |

NOMINATION & REMUNERATION COMMITTEE

| | | |
|---------------------------------|---|-------------|
| Ms. Aakanksha | - | Chairperson |
| Ms. Anjana Ramesh Thakker | - | Member |
| Mr. Suryaprakasa Rao Bommisetti | - | Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE

| | | |
|---------------------------------|---|----------|
| Mr. Suryaprakasa Rao Bommisetti | - | Chairman |
| Ms. Vinita Raj Narayanam | - | Member |
| Ms. Aakanksha | - | Member |

INDEPENDENT DIRECTORS

Ms. Aakanksha
Mr. Suryaprakasa Rao Bommisetti

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-101, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai — 400 083
Tel: 022 — 4918 6000 Fax: 022 — 4918 6060
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in

LISTED AT : BSE Limited

DEMAT ISIN NUMBER IN NSDL & CDSL: INE750G01019

WEBSITE : www.punitcommercials.com

INVESTOR E-MAIL ID : projakt321@gmail.com

CORPORATE IDENTITY NUMBER : L51900MH1984PLC034880

NOTICE

Notice is hereby given that the 37th Annual General Meeting of the members of Punit Commercials Limited will be held on Friday, 30th September, 2022 at 02.30 P.M. through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2022, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Ms. Anjana Ramesh Thakker (DIN: 09521916) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. **To appoint Statutory Auditors to fill casual vacancy:**

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

“RESOLVED THAT pursuant to the provisions of Sections 139(8) 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), and pursuant to the recommendations made by the Audit Committee and the Board of Directors in their meeting held on 10.08.2022, M/s. P R S V & Co. LLP, Chartered Accountants, Hyderabad having ICAI Firm Registration No. S200016 be and are hereby appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Diwan Gosalia & Associates, Chartered Accountants, to hold office from 11.08.2022 until the conclusion of this 37th Annual General Meeting of the Company at such remuneration as mentioned in the explanatory statement.”

4. **To appoint statutory auditors M/s. P R S V & Co. LLP, Chartered Accountants, Hyderabad as Statutory Auditors and fix their remuneration:**

To consider and, if thought fit, to pass the following resolution with or without modification(s), 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), and pursuant to the recommendations made by the Audit Committee and the Board of Directors at their meeting held on 10.08.2022, M/s. P R S V & Co. LLP, Chartered Accountants, Hyderabad having ICAI Firm Registration No. S200016 be and are hereby appointed as the Statutory Auditors of the Company for a period of 5 years from the conclusion of this Annual General Meeting till the conclusion of 42nd Annual General Meeting of the Company to be held in the year 2027 at a remuneration as mentioned in the explanatory statement.”

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

5. **To Approve the Overall Limits U/s 186 for Loans/ Guarantees/ Securities/ Investments by the Company.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, up to an aggregate amount not exceeding Rs. 100 Crores (Rupees Hundred Crores), notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit necessary or appropriate.”

For Punit Commercials Limited

Sd/-

Vinita Raj Narayanam
Managing Director
DIN: 09319780

Place: Hyderabad
Date: 07.09.2022

NOTES:

1. In view of the continuing Covid-19 pandemic and consequential restrictions imposed on the movements of people, the Ministry of Corporate Affairs (“MCA”) has vide its circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 on May 13, 2022, General Circular No. 2/2022 dated May 5, 2022, 20/2021 dated December 08, 2021, 10/2021 dated June 23, 2021, SEBI/HO/CFD/CMD2/CIR/P/2021/ 11 dated January 15, 2021, General Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020 in conjunction with Circular No. 14/2020 dated April 08, 2020, 39/2020 dated December 31, 2020, 33/2020 dated September 28, 2020, 22/2020 dated June 15, 2020 and Circular No. 17/2020 dated April 13, 2020 (collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI / HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and, and issued by SEBI (collectively “SEBI Circulars”) Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the MCA Circulars granted certain relaxations and thus permitted the holding of to hold Annual General Meeting (“AGM”) of the companies through VC/OAVM viz. without the physical presence of the Members at a common venue. Hence in compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA / SEBI Circulars, as applicable, the AGM of the Company is being held through VC / OAVM (e-AGM)
2. In compliance with applicable provisions of the Act read with the MCA Circulars and the Listing Regulations, the AGM of the Company is being conducted through VC/OAVM. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36 (3) of the SEBI (LODR), Regulations, 2015, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

7. The company has appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries, as scrutinizer of the company to scrutinize the voting process.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.punitcommercials.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.
10. The AGM has been convened through VC/ OAVM in compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA Circular.
11. Since the AGM will be held through VC/OAVM Facility, Proxy form, Attendance Slip and the Route Map is not annexed in this Notice.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to their Depository Participants (DPs).
13. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company at its email id projakt321@gmail.com at an early date as to enable the management to keep the information ready at the AGM.
14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to projakt321@gmail.com.
15. Pursuant to Section 72 of the Act, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-13, to the RTA of the Company. Further, Members desirous of cancelling/ varying nomination pursuant to rule 19(9) of

the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the RTA of the Company.

16. In terms of the provisions of Section 152 of the Act, Ms. Anjana Ramesh Thakker (DIN:09521916), Directors retire by rotation at this AGM. Brief resume of Directors who are proposed to be appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and membership/chairmanships of Board Committees and shareholding in the Company as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by ICSI are forming part of the Notice and appended to the Notice.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on 27.09.2022 at 09.00 a.m. and ends on 29.09.2022 at 05.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 23.09.222 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date may also attend/participate in the AGM through VC/OAVM but would not be entitled to vote on such resolution again.
- (iii) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing as a and convenience of participating in e-voting process.

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in Demat | 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach Voting page without any further authentication. The URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or |

| | |
|--|---|
| <p>mode with CDSL</p> | <p>visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| <p>Individual Shareholders holding securities in demat mode with NSDL</p> | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the homepage of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" "Portal" or click</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company</p> |

| | |
|---|---|
| | name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders (holding securities in Demat mode) log in through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click one-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User Id and Forget Password option available at above mentioned website.

Help desk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

| Login type | Helpdesk details |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-230585 42-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL help desk by sending a request at evoting@nsdl.co.in or call at toll free no.:1800 1020990 and 1800224430 |

- (v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DPID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

| | For Shareholders holding shares in Demat Form other than individual and Physical Form |
|--|--|
| PAN | Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/RTA. |
| Dividend Bank Details OR Date Of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction(v). |

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant<Punit Commercials Limited> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non-Individual Shareholders and Custodians-Remote Voting**
 - Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log onto www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; projakt321@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops/ iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at-least **5 days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at projakt321@gmail.com .The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at projakt321@gmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

11. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/ RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. With your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL)Central Depository Services (India)Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com

For Punit Commercials Limited

Sd/-

Vinita Raj Narayanam

Managing Director

DIN: 09319780

Place: Hyderabad

Date: 07.09.2022

EXPLANATORY STATEMENT TO SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**FOR ITEM NO: - 3**

Pursuant to the provisions of Section 139 of the Act read with applicable Rules framed thereunder M/s Diwan Gosalia & Associates., Chartered Accountants, have resigned with effect from 11.08.2022 due to administrative reasons, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013.

The Audit Committee and the Board of Directors have placed on record their appreciation for the professional services rendered by M/s. Diwan Gosalia & Associates., Chartered Accountants., during their association with the Company as its auditors.

Any casual vacancy caused by resignation in the office of the Statutory Auditors can be filled up by the Shareholders in a General Meeting as per recommendations made by the Board of Directors and Audit Committee. For the purpose of appointment of new Auditors, the Audit Committee along with the Management, invited Proposals from the firms of Chartered Accountants and had detailed discussion with representatives of those firms. The Committee considered various parameters such as reputation of the firm, knowledge and experience, understanding of business, technical assessment of the Audit skills and the Audit fees and based on this detailed analysis, the Audit Committee recommended M/s. P R S V & Co LLP, Chartered Accountant, as the Company's new Statutory Auditors.

As per the recommendation of the Audit Committee, Board in its meeting held on 10.08.2022 has approved the appointment of M/s. P R S V & Co. LLP, Chartered Accountants, Hyderabad (FRN. S200016), as the Statutory Auditors of the Company till the conclusion of 37th AGM and to fill the casual vacancy, subject to approval of the shareholders within 3 months from the date of recommendation/ appointment. It is proposed to appoint M/s. P R S V & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company at a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) per annum plus applicable taxes as may be mutually agreed by and between the Board of Directors of the Company and the Auditor together and reimbursement of out-of-pocket expenses in connection with the Audit. The previous auditors were paid a remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) per annum towards audit fees. The increase in remuneration is due to the expected increase in their workload in the months to come due to change in main objects of the Company which in turn requires deployment of additional workforce to cope up with the additional man-hours required to complete the audit.

P R S V & Co. LLP is established in January 2015 as an offshoot firm of Praturi & Sriram, which is a 30 years old firm. The firm is in the field of Audit, Assurance, Taxation and corporate advisory and consulting practice. It functions from Hyderabad and has a staff strength of 12 members with 5 Partners. The LLP believes in unequivocal commitment to client satisfaction by maintaining a high standard of professional integrity, confidentiality and independence. It maintains pro-active approach coupled with continuous knowledge transfer to the client.

M/s. P R S V & Co. LLP, Chartered Accountants, have given their consent to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as the statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Accordingly, as per the said requirements of the Act, M/s. P R S V & Co. LLP, Chartered Accountants is proposed to be appointed as auditors till the Conclusion of 37th Annual General Meeting (AGM).

The Board of Directors recommends the Ordinary Resolution for approval of the Members.

None of the Directors or Key Managerial Personnel or any relative of any of the Directors/ Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution.

FOR ITEM NO: -4

The Board of Directors at its meeting held on 10th August, 2022, as per the recommendation of the Audit Committee and pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, recommended the appointment of M/s. P R S V & Co. LLP, Chartered Accountants, (Firms Registration No. S200016), as Statutory Auditors of the Company to hold office for a period of five years, from the conclusion of the 37th AGM, till the conclusion of the 42nd AGM of the Company to be held in the year 2027, at a remuneration of Rs. 1,25,000/- ((Rupees One Lac Twenty Five Thousand Only) per annum plus applicable taxes as may be mutually agreed by and between the Board of Directors of the Company and the Auditor together and reimbursement of out-of-pocket expenses in connection with the Audit.

The Company has received consent letter and eligibility certificate from M/s. P R S V & Co. LLP, Chartered Accountants, (Firms Registration No. S200016) to act as Statutory Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, as per the said requirements of the Act, M/s. P R S V & Co. LLP, Chartered Accountants is proposed to be appointed as auditors till the Conclusion of 42nd Annual General Meeting (AGM).

The Board of Directors recommends the Ordinary Resolution for approval of the Members.

None of the Directors or Key Managerial Personnel or any relative of any of the Directors/ Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution.

FOR ITEM NO: -5

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of:

- i. Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account
or,
- ii. Hundred per cent of its free reserves and securities premium account, whichever is more,

if the special resolution is passed by the members of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to subsidiaries/ associate/group companies for an amount not exceeding Rs. 100 crores (Rupees Hundred Crores Only). The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of own /surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

The Board of Directors recommends the Special Resolution for approval of the Members.

None of the Directors or Key Managerial Personnel or any relative of any of the Directors/ Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution.

For Punit Commercials Limited

Sd/-

Vinita Raj Narayanam

Managing Director

DIN: 09319780

Place: Hyderabad

Date: 07.09.2022

Details of the Directors proposed to be appointed/re-appointed at the AGM scheduled to be held on 30.09.2022 as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are as given below:

| | |
|---|---|
| Name of the Director | Ms. Anjana Ramesh Thakker |
| Date of Birth | 07/02/1967 |
| Date of Appointment | 04/03/2022 |
| Brief Profile | She has worked with a Continental Aviation as a Public Relations Officer and served as President at Inner Wheel Pune Central. She is an active Rotarian and a Paul Harris member and was also a FICCI FIO member for three years. |
| Qualifications | Bachelor and Master of Arts (English Literature). |
| Expertise in specific functional areas | Marketing |
| Names of the Listed entities in which the person is holding Directorships and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years* | Nil |
| Inter se relationship among Directors | Sister of Ms. Vinita Raj Narayanam |
| Number of shares held | Nil |
| Skills and capabilities required for the role and the manner in which the proposed person meets such requirements | Ms. Anjana Ramesh Thakker has all the requisite skills and capabilities as explained above |

*Except Punit Commercials Limited

BOARD'S REPORT

Dear Members,

The Directors have pleasure in presenting before you the 37th Boards' Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2022.

FINANCIAL SUMMARY/HIGHLIGHTS:

The performance during the period ended 31st March, 2022 has been as under:

(Rs. In Lakhs)

| Particulars | 2021-22 | 2020-21 |
|---|---------|---------|
| Revenue from operations | 158.21 | 765.71 |
| Other income | 1.38 | 0.87 |
| Profit/loss before Depreciation, Finance Costs, | 4.23 | 29.15 |
| Exceptional items and Tax Expense | - | (0.06) |
| Less: Depreciation/ Amortisation/ Impairment | - | - |
| Profit/loss before Finance Costs, Exceptional items and Tax Expense | 4.23 | 29.09 |
| Less: Finance Costs | 0.01 | 0.18 |
| Profit/loss before Exceptional items and Tax Expense | 4.22 | 28.85 |
| Add/(less): Exceptional items | - | - |
| Profit/loss before Tax Expense | 4.22 | 28.85 |
| Less: Tax Expense (Current & Deferred) | - | (0.06) |
| Profit/loss for the year (1) | 4.22 | 29.03 |
| Total Comprehensive Income/loss (2) | - | - |
| Total (1+2) | 4.22 | 29.03 |
| Balance of profit /loss for earlier years | - | - |
| Less: Transfer to Reserves | - | - |
| Less: Dividend paid on Equity Shares | - | - |

DIVIDEND:

Your Directors decided not to declare dividend for the Financial Year 2021-22.

REVIEW OF OPERATIONS:

The total revenue of the Company for the financial year under review was Rs. 159.59 Lakhs as against Rs. 766.58 Lakhs for the previous financial year. The company recorded a net profit of Rs. 4.22 Lakhs for the financial year 2021-22 as against the net profit of Rs. 29.03 lakhs for the previous year.

BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS:

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis report, which has been prepared, inter-alia, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 and forms part of this Report.

RESERVES:

Pursuant to provisions of Section 134 (3) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

The Closing balance of reserves, including retained earnings, of the Company as at March 31st 2022 is Rs. 133.07 Lakhs.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

The Company was engaged in trading in diamonds and other jewellery items. The new Management, subsequent to the acquisition of the Company through Open Offer, in its meeting held on 18.03.2022 opined that the Company could achieve better profitability by diversifying the business of the Company into IT (Information Technology) and IT enabled services and recommended the change in the main objects of the Company.

Therefore, the members in the Extra Ordinary General Meeting held on 31.05.2022 approved alteration of objects clause of the company by way of passing Special Resolution and replaced existing objects with the new set of objects which includes IT (Information Technology) and IT enabled services.

OPEN OFFER:

The erstwhile promoters of the Company viz, Mr. Nirav Prabodh Mehta, Mrs. Sakshi Nirav Mehta, Mrs. Priya Nirav Mehta, Mrs. Purnima Prabodh Mehta and Subir Diamonds Private Limited had entered into a Share Purchase Agreement dated 01.11.2021 with Mrs. Vinita Raj Narayanam and agreed to transfer to her the entire shareholding of the promoters, i.e., 1,76,775 equity shares constituting 73.66% of the total paid up capital of the Company along with the control of the Company. The said acquisition by Mrs. Vinita Raj Narayanam (Acquirer) had triggered the Open Offer in terms of SEBI (SAST) Regulations, 2011 and accordingly all the due procedure for the Open Offer was followed by the acquirer including disclosure of Public Announcement, Draft Letter of Offer to SEBI with the help of the Merchant Banker, Capital Square Advisors Private Limited, appointed by the Acquirer. After approval from SEBI, Letter of Offer dated 03.12.2021 was sent to all the public shareholders for tendering their shares @ Rs. 65 per share as determined by the Registered Valuer.

The Merchant Banker, thereafter submitted Post Offer Public Announcement dated 12.01.2022 on the successful completion of the open offer.

The Board perused the Announcement dated 12.01.2022 submitted by Capital Square Advisors Private Limited on the successful completion of the open offer process, resulting in change of ownership and management of the Company and invited the new management to take control of the Company under the guidance of Mrs. Vinita Raj Narayanam.

MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report. (i.e., 07.09.2022)

REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review.

AUTHORISED AND PAID-UP CAPITAL OF THE COMPANY:

The Authorized Share Capital of your Company is Rs. 25,00,000 (Rupees Twenty-Five Lakhs only) divided into 2,50,000(Two Lakh and Fifty Thousand shares) of the face value of Rupees.10/- each.

And the paid-up share capital of the company is Rs. 24,00,000 (Rupees Twenty-Four Lakhs only) divided into 2,40,000(Two Lakh and Forty Thousand shares) of the face value of Rupees.10/- each fully paid up.

FURTHER ISSUE OF SHARE CAPITAL:

No further capital was issued during the period under review.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor education and Protection Fund established by the Central Government.

Accordingly, the Members are hereby informed that the company has not declared any dividend pertaining to the financial year 2014-15 and therefore no amount will be transferred to the "Investor Education and Protection Fund" of the Central Government.

DIRECTORS OR KMP APPOINTED OR RESIGNED:

- During the Financial Year, Mr. Rohit Choudhary resigned as the Company Secretary and Compliance Officer of the Company w.e.f. 01.04.2021 and Ms Shikha Jain was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 01.04.2021.
- Further, Ms. Shikha Jain resigned as the Company Secretary and Compliance Officer of the Company w.e.f. 18.03.2022 and Mrs. Priyanka Gattani was appointed as the Company Secretary and Compliance Officer of the Company with effect from 01.06.2022.

Subsequent to the acquisition of the Company through Open Offer, management of the Company was substituted. Therefore, the following Directors were appointed in Board Meeting held on 04.03.2022 and were regularised in the Extra-ordinary General Meeting held on 31.05.2022.

| S. No | Name | Designation | Date of Appointment |
|-------|--------------------------------|----------------------------------|---------------------|
| 1. | Ms. Vinita Raj Narayanam | Managing and Additional Director | 04/03/2022 |
| 2. | Ms. Anjana Ramesh Thakker | Additional Director | 04/03/2022 |
| 3. | Mr. Suryaprakasa Rao Bommiseti | Additional Director | 04/03/2022 |
| 4. | Ms. Aakanksha | Additional Director | 04/03/2022 |

Subsequently, the following resigned from their respective posts on 18.03.2022:

| S. No | Name | Designation | Date of Resignation |
|-------|--------------------------------|----------------------|---------------------|
| 1. | Mr. Nirav Prabodh Mehta | Managing Director | 18/03/2022 |
| 2. | Ms. Purnima Prabodh Mehta | Women Director | 18/03/2022 |
| 3. | Mr. Sujit Suresh Chandra Mehta | Independent Director | 18/03/2022 |
| 4. | Mr. Himanshu Vijaybhai Kothari | Independent Director | 18/03/2022 |
| 5. | Ms. Fatima Clifford D'souza | CFO | 18/03/2022 |
| 6. | Ms. Shikha Jain | CS | 18/03/2022 |

The Board places on record its sincere appreciation for the services rendered by the resigning directors/officer's during their association with the Company.

Mr. Koteswara Rao Meduri was appointed as the Chief Financial Officer (CFO) of the Company w.e.f. 07.09.2022.

The Company has complied with the definition of Independence as per Regulation 16(1) (b) of the SEBI (LODR), Regulations, 2015 and according to the Provisions of Section 149(6) of the Companies Act, 2013.

The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013. It is also confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

During the year under review, Mr. Sujit Suresh Chandra Mehta and Mr. Himanshu Vijaybhai Kothari, Independent Directors of the Company have resigned from the Board of Directors of the Company.

Ms. Anjana Ramesh Thakker retires by rotation and being eligible, offers herself for re-appointment. A resolution seeking shareholders' approval for her re-appointment along with other required details forms part of the Notice.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Mr. Surya Prakash and Ms. Aakanksha, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and under regulation 16(1)(b) read with regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Considering the requirement of skill sets on the Board, persons having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as an Independent Director on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise, integrity and experience (including proficiency) and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence and recommends to the Board their appointment. The Board confirms that all the independent directors possess the required proficiency to continue as independent director.

The Independent Directors have also confirmed that they have complied Company's Code of Conduct and that they possess valid Registration certificate in Independent Directors' Databank.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015. In accordance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is included in the Directors Report elsewhere.

BOARD MEETINGS:

The Board of Directors duly met Seven (7) times on 01.04.2021, 28.06.2021, 13.08.2021, 02.11.2021, 14.02.2022, 04.03.2022 and 18.03.2022 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

| S. No. | Directors | Number of Board Meetings | |
|--------|---------------------------|--------------------------|---------|
| | | *Held | Present |
| 1. | Mr. Nirav Prabodh Mehta | 7 | 7 |
| 2. | Ms. Purnima Prabodh Mehta | 7 | 7 |
| 3. | Mr. Sujit Suresh chandra | 7 | 7 |

| | | | |
|----|--------------------------------|---|---|
| | Mehta | | |
| 4. | Mr. Himanshu Vijaybhai Kothari | 7 | 7 |
| 5. | Ms. Vinita Raj Narayanam | 1 | 1 |
| 6. | Ms. Anjana Ramesh Thakker | 1 | 1 |
| 7. | Mr. Suryaprakasa Rao Bommiseti | 1 | 1 |
| 8. | Ms. Aakanksha | 1 | 1 |

* held during the tenure of the Director

BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors was conducted on 14.02.2022 to evaluate the performance of non-independent directors, the board as a whole and the Chairman of the Company, taking into account the views of executive directors and nonexecutive directors.

The Board reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

Disclosure pertaining to remuneration and other details as required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure-1** to this Report.

RATIO OF REMUNERATION TO EACH DIRECTOR:

During the year, there were only 2 employees 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.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment.

The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

NO FRAUDS REPORTED BY STATUTORY AUDITORS:

During the Financial Year 2021-22, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:

The company does not have any Subsidiaries / Associates/ Joint Ventures.

NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

There have been no companies which have become or ceased to be the subsidiaries, joint ventures or associate companies during the year.

DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

The Company has not accepted any public deposits during the Financial Year ended March 31, 2022 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet. Further no amount was received from a person who, at the time of the receipt of the amount, was a director of the company or a relative of the director of the Private company.

DETAILS OF DEPOSITS NOT IN COMPLIANCE WITH THE REQUIREMENTS OF THE ACT:

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2022, there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

The Company complied with this requirement within the prescribed timelines.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans, Guarantees or made any investments during the year under review.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2021-22, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The summary statement of transactions entered into with the related parties pursuant to the omnibus approval so granted are reviewed and approved by the Audit Committee and the Board of Directors on a quarterly basis. The summary statements are supported by an independent audit report certifying that the transactions are at an arm's length basis and in the ordinary course of business

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-3** to this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy: Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption: All the Factors mentioned in Rule 8 (3)(b) of Companies (Accounts) Rules, 2014 Technology absorption are not applicable to the Company.

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: NIL

COMMITTEES:

(I). AUDIT COMMITTEE: The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of SEBI (LODR) Regulations with the Stock Exchange read with Section 177 of the Companies Act, 2013.

A. Brief Description of Terms of Reference:

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, inter alia, includes:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending the appointment, remuneration and terms of appointment, fixation of audit fee and approval for payment for any other services;
- iii. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- iv. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- v. Review with the management, the annual financial statements and Auditor's Report before submission to the Board with particular reference to;
 - (a) Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;

- (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;
- v. Review of the quarterly financial statements with the management before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- vii. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Review of valuation of undertakings or assets of the company wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- xiv. discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- xvii. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- xviii. Review the functioning of the whistle blower mechanism;
- xix. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
- xx. Review of the following information:
- (a) Management discussion and analysis of financial condition and results of operations;
- (b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (c) Internal audit reports relating to internal control weaknesses;
- (d) The appointment, removal and terms of remuneration of the Chief Internal Auditor;
- (e) Statement of deviations:
- xxi. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
- xxii. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus in terms of Regulation 32(7) of the Listing Regulations.
- xxiii. Carrying out any other function as may be referred to the Committee by the Board. xxii. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.
- xxiv. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

B. Composition, Meetings & Attendance:

There were four (4) Audit Committee Meetings held during the year on 28.06.2021, 13.08.2021, 02.11.2021, and 14.02.2022.

| Name | Designation | Category | Number of meetings during the year 2021-22 | |
|---------------------------------|-------------|-----------------------------------|--|---------|
| | | | Held | present |
| Mr. Sujit S. Mehta* | Chairman | Independent and Non-Executive | 4 | 4 |
| Mr. Nirav P. Mehta* | Member | Non-Independent and Executive | 4 | 4 |
| Ms. Himanshu Vijaybhai Kothari* | Member | Non-Independent and Non-Executive | 4 | 4 |

*Resigned w.e.f. 18.03.2022

Due to open offer process and change of ownership and management of the Company, Audit Committee was reconstituted as on 18.03.2022. The Audit Committee now comprises of the following members.

| Name | Designation | Category | Number of meetings during the year 2021-22 | |
|--------------------------------|-------------|------------------------------------|--|---------|
| | | | Held | present |
| Mr. Suryaprakasa Rao Bommiseti | Chairman | Independent and Non-Executive | 4 | - |
| Ms. Aakanksha | Member | Independent and Non-Executive | 4 | - |
| Ms. Anjana Ramesh Thakker | Member | Non-Independent and Non- Executive | 4 | - |

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

(II). NOMINATION AND REMUNERATION COMMITTEE: The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of SEBI (LODR) Regulations with the Stock Exchange read with Section 178 of the Companies Act, 2013.

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

A. Brief Description of Terms of Reference

To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:

- a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- b. To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- c. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- d. To carry out evaluation of every Director's performance.
- e. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- f. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall

- have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- g. To formulate the criteria for evaluation of Independent Directors and the Board.
 - h. To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
 - i. devising a policy on diversity of board of directors;
 - j. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 - k. Recommend to the board, all remuneration, in whatever form, payable to senior management.

B. Composition of the Nomination and Remuneration Committee, Meetings & Attendance

There were three (3) Nomination and Remuneration Committee Meeting held during the financial year on 28.06.2021, 04.03.2022 and 18.03.2022

| Name | Designation | Category | Number of meetings during the year 2021-22 | |
|-----------------------|-------------|--------------------------------|--|---------|
| | | | Held | Present |
| Mr. Sujit S. Mehta* | Chairman | Independent, Non-Executive | 3 | 3 |
| Mr. Himanshu Kothari* | Member | Independent, Non-Executive | 3 | 3 |
| Ms. Purnima P. Mehta* | Member | Non-Independent, Non-Executive | 3 | 3 |

*Resigned w.e.f. 18.03.2022

After the open offer process, the Committee was re-constituted on 18.03.2022 and now it comprises of the following members.

| Name | Designation | Category | Number of meetings during the year 2021-22 | |
|--------------------------------|-------------|-------------------------------|--|---------|
| | | | Held | present |
| Ms. Aakanksha | Chairman | Independent and Non-Executive | 3 | - |
| Mr. Suryaprakasa Rao Bommiseti | Member | Independent and Non-Executive | 3 | - |
| Ms. Anjana Ramesh Thakker | Member | Non-Independent and Executive | 3 | - |

C. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit. The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

Policy for Selection of Directors and Determining Directors' Independence:**1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 "Director" means a Director appointed to the Board of a Company.

2.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.3 "Independent Director" means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:**Qualifications and criteria**

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;

- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
- shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any prescribed, from time to time, under the Companies Act, 2013,

Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

3.2 Criteria of Independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent Director in relation to a Company, means a Director other than a managing Director or a whole-time Director or a nominee Director

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the Company or its holding, subsidiary or associate Company or member of the promoter group of the listed entity;

(ii) who is not related to promoters or Directors of the Company its holding, subsidiary or associate Company

c. who, apart from receiving director's remuneration, who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or Director, during the three immediately preceding financial year or during the current financial year;

d. none of whose relative

(A) is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;

(B) is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;

(C) has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or

(D) has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:

Provided that the pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company or their promoters, or directors in relation to points (A) to (D) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.

e. who, neither himself nor any of his relative-

(i) Holds or has held the position of a key managerial personnel or is or has been employee of the Company or holding, subsidiary or associate Company or any company belonging to the promoter group of the listed entity in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;

Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment

(ii) Is or has been an employee or proprietor or a partner, in any of the three financial year immediately preceding the financial year in which he is proposed to be appointed of-

(A) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or

(B) any legal or a consulting firm that has or had any transaction with the Company, its holding subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;

(i) holds together with his relatives two per cent or more of the total voting power of the Company; or

(ii) is a chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the Company any of its promoters, Directors or its holding

subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or

(iii) is a material supplier, service provider or customer or a lesser or lessee of the Company.

f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or these disciplines related to the Company's business.

g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.

h. who is not less than 21 years of age

i. Who is not a non-independent Director of another company on the Board of which any non-independent director of the listed entity is an independent director.

3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

2.1 “Director” means a Director appointed to the Board of the Company.

2.2 “key managerial personnel” means

- (i) The Chief Executive Officer or the managing Director or the manager;
- (ii) The Company Secretary;
- (iii) The Whole-time Director;
- (iv) The Chief Financial Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR)

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

D. MECHANISM FOR EVALUATION OF THE BOARD:

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given six Forms for evaluation of the following:

- (i) Evaluation of Board;
- (ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson;
- (v) Evaluation of Non-Executive and Non-Independent Directors; and
- (vi) Evaluation of Managing Director/Whole time Director.

The Directors were requested to give following ratings for each criteria:

- 1. Could do more to meet expectations;

2. Meets expectations; and

3. Exceeds expectations.

Based on the evaluation done by the Independent Directors, Chairman of the Independent Director meeting has compiled the data and made a report and informed the rankings of each Director in the Board Meeting and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

E. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The performance evaluation criteria for Independent Directors are already mentioned under the head “Board Evaluation” in Directors’ Report.

(III). STAKEHOLDERS RELATIONSHIP COMMITTEE: The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations read with Section 178 of the Companies Act, 2013.

A. Brief Description of Terms of Reference:

The Committee’s role includes:

- i. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Such other matter as may be specified by the Board from time to time.
- vi. Authority to review / investigate into any matter covered by Section 178 of the Companies Act, 2013 and matters specified in Part D of Schedule II of the Listing Regulations.

B. Composition and Attendance for Meetings:

There were four (4) Stakeholders Relationship Committee Meeting held during the financial year on 28.06.2021, 13.08.2021, 02.11.2021 and 14.02.2022.

| Name | Designation | Category | Number of meetings during the year 2021-22 | |
|-----------------------|-------------|--------------------------------|--|---------|
| | | | Held | Present |
| Mr. Sujit S. Mehta* | Chairman | Independent, Non-Executive | 4 | 4 |
| Mr. Nirav P. Mehta* | Member | Non-Independent, Executive | 4 | 4 |
| Ms. Himanshu Kothari* | Member | Non-Independent, Non-Executive | 4 | 4 |

*Resigned w.e.f. 18.03.2022

After the open offer process, the Committee was re-constituted on 18.03.2022 and now it comprises of the following members:

| Name | Designation | Category | Number of meetings during the year 2021-22 | |
|----------------------------------|-------------|-------------------------------|--|---------|
| | | | Held | present |
| Mr. Suryaprakasa Rao Bommiseti** | Chairman | Independent and Non-Executive | 4 | - |
| Ms. Aakanksha** | Member | Independent and Non-Executive | 4 | - |
| Ms. Vinita Raj Narayanam** | Member | Non-Independent and Executive | 4 | - |

**Appointed w.e.f 18.03.2022

COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:

Since the Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the immediately preceding financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not to constitute a Corporate Social Responsibility Committee and adopt any Corporate Social Responsibility Policy.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company promotes ethical behaviour and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company www.punitcommercials.com.

RISK MANAGEMENT POLICY:

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks and also to identify business opportunities. As a process, the risks associated with the business are identified and prioritized based on severity, likelihood and effectiveness of current detection. Such risks are reviewed by the senior management on a periodical basis.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

STATUTORY AUDITORS AND STATUTORY AUDITORS REPORT:

Your Company's Statutory Auditors, M/s. Diwan Gosalia & Associates, Chartered Accountants have tendered their resigned w.e.f. 11.08.2022, therefore the Board in its meeting held on 10.08.2022 has approved the appointment of M/s. P R S V & Co. LLP., Chartered Accountants, Hyderabad, as the Statutory Auditors of the Company w.e.f. 11.08.2022 at a remuneration as fixed by the Board to fill the casual vacancy subject to approval of shareholders within 3 months from the date of recommendation/appointment.

Thus, at the forthcoming Annual General Meeting of your company the appointment of M/s. P R S V & Company LLP., Chartered Accountants is being considered. Necessary resolution for their appointment has been proposed in item no. 3 and 4 of Notice of AGM.

M/s. Diwan Gosalia & Associates, Chartered Accountants, have issued the Auditors' Report for fiscal 2022 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed M/s. Vivek Surana & Associates., Practicing Company Secretaries as the Secretarial Auditors of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2022.

The Secretarial Audit was carried out by M/s. Vivek Surana & Associates, Practicing Company Secretaries for the financial year ended March 31, 2022. The Report given by the Secretarial Auditor is annexed herewith as **Annexure- 4** and forms integral part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except the following:

- a) Non-Appointment of Internal Auditor for FY 2021-22.

Board's Response:

The Company has appointed Internal Auditors for FY 2022-23 in its meeting held on 10.08.2022.

ANNUAL SECRETARIAL COMPLIANCE REPORT:

The provisions of Annual Secretarial Audit Report for the year ended 31st March 2022 under Regulation 24(A) of SEBI (Listing Obligations and Disclosures Requirements) (Amendments) Regulation, 2018 is not applicable to the Company.

REPORT ON CORPORATE GOVERNANCE:

Your company provides utmost importance at best Governance Practices and are designated to act in the best interest of its stakeholders. Better governance practice enables the company to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase stakeholders understanding of the key activities and policies of the organization. Your Company has incorporated the appropriate standards for corporate governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, company is not filing Corporate Governance Report to stock exchange quarterly and not providing the Corporate Governance Report as the part of this Annual Report.

INTERNAL AUDITORS:

The Company has appointed M/s. S K S M & Associates as Internal Auditors for FY 2022-23.

SECRETARIAL STANDARDS:

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

DECLARATION BY THE COMPANY:

The Company has not made any default under Section 164(2) of the Act, as on March 31, 2022.

ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an annual return is uploaded on website of the Company www.punitcommercials.com

DISCLOSURE ABOUT COST AUDIT:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management discussion and analysis report for the year under review as stipulated under Regulation 34 (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is annexed herewith as **Annexure- 5** to this report.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

FAMILIARISATION PROGRAMMES:

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website.

INSURANCE:

The properties and assets of your Company are adequately insured.

NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

POLICIES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website www.punitcommercials.com

DETAILS FOR APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, there were no applications made or proceedings pending in the name of the Company under Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of loans taken from Banks and Financial Institutions.

CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and the applicable Securities laws. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website (www.punitcommercials.com).

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at workplace.

This is in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the Rules made thereunder. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this Policy. The policy is available on the website at www.punitcommercials.com

As the Company has less than 10 employees, it is not required to constitute an Internal Committee. Further, the Company has not received any Complaints during the FY 2021-22.

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):

There is no application filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT.

OTHER DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.

- b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- c. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company, SEBI, BSE, NSDL, CDSL, for their continued support for the growth of the Company.

For and on behalf of the Board
For Punit Commercials Limited

Sd/-

Vinita Raj Narayanam
Managing Director
DIN: 09319780

Place: Hyderabad
Date: 07.09.2022

Annexure-1

STATEMENT SHOWING THE NAMES OF TOP TEN EMPLOYEES PURSUANT TO SEC. 197 READ WITH RULE 5 (1) (2) and (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year. Not Applicable

| Director | Total Remuneration | Ratio to median remuneration |
|----------|--------------------|------------------------------|
| NA | Nil | NA |

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: Not Applicable

| Name | Designation | Remuneration | | Increase/(Decrease) % |
|------|-------------|--------------|------------|-----------------------|
| | | FY 2021-22 | FY 2020-21 | |
| | | Nil | | |

3. The percentage increase in the median remuneration of employees in the financial year

| Particulars | Remuneration | | Increase/(Decrease)% |
|---|--------------|------------|----------------------|
| | FY 2021-22 | FY 2020-21 | |
| Median Remuneration of all the employees per annum* | Nil | Nil | Nil |

*Employees who have served for whole of the respective financial years have been considered.

4.

| Particulars | Number |
|---|--------|
| The number of employees on the rolls of the company as on March 31, 2022* | 1 |

*Mrs. Vinita Raj Narayanam was appointed as the Managing Director of the Company w.e.f. 04.03.2022

6. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details if there are any exceptional circumstances for increase in the managerial remuneration

| Particulars | Increase/(Decrease) % |
|--|-----------------------|
| Average percentage increase in the remuneration of all Employees* (Other than Key Managerial Personnel) | Nil |
| Average Percentage increase in the Remuneration of Key Managerial Personnel | Nil |

**Employees who have served for whole of the respective financial years have been considered.*

6. Affirmation that the remuneration is as per the remuneration policy of the company.

The Company is in compliance with its remuneration policy.

List of Top 10 Employees:

In terms of Remuneration drawn as per Rule 5(3) of the Companies (Appointment and Remuneration of Management personnel) Rules 2014:

There were only 2 employees drawing remuneration in the Company during the year under review.

| S. No | Name of the Employee | Remuneration received (in Rs.) | Designation of the employee | Nature of employment whether contractual or otherwise | Qualification and experience of the employee | Date of the commencement of employment | The age of Employee | The last employment held by such employee before joining the Company | The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014 | Whether such employee is a relative of any director or manager of the company and if so name of such director or manager |
|-------|----------------------|--------------------------------|-----------------------------|---|--|--|---------------------|--|--|--|
| 1. | Fatima D'Souza* | 2,01,355 | CFO | Permanent | Masters | -- | 59 years | -- | NA | NA |
| 2. | Shikha Jain* | 1,65,000 | CS | Permanent | CS | 01.04.2021 | 37 years | -- | NA | NA |

*Resigned w.e.f. 18.03.2022

Annexure – 2

DECLARATION ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Vinita Raj Narayanam, Managing Director of Punit Commercials Limited (“**the Company**”) hereby state and affirm Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management of the company during Financial Year 2021-2022.

For Punit Commercials Limited

Sd/-

Vinita Raj Narayanam
Managing Director
DIN: 09319780

Place: Hyderabad
Date: 07.09.2022

Annexure - 3

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This form pertains to the disclosure of particulars of contracts/ arrangements entered into between the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:

| Sl. No. | Name(s) of the related party and nature of relationship | Nature of contracts /arrangement s /transactions: | Duration of the contracts/ arrangements/transactions | Salient terms of the contracts or arrangements or transactions including the value, if any: | Date(s) of approval by the Board, if any: Approved by Audit Committee and Board Meeting in last Financial Year: |
|---------|--|---|--|---|---|
| 1. | Purnima Mehta (Director) | Rent Paid | Regular | Rs. 24,000 | 13.08.2021, 02.11.2021, 14.02.2021 |
| 2. | Diavest Commercials LLP (Nirav Prabodh Mehta is partner) | Purchase of Goods | Regular | Rs. 1,24,37,900 | 13.08.2021, 02.11.2021, 14.02.2021 |

3. Details of contracts or arrangements or transactions not in the ordinary course of business: Not Applicable

For Punit Commercials Limited

Sd/-
Anjana Ramesh Thakker
Director
DIN: 09319780

Sd/-
Vinita Raj Narayanam
Managing Director
DIN: 09319780

Place: Hyderabad
Date: 07.09.2022

FORM MR-3
SECRETARIAL AUDIT REPORT

{Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014}

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

To
The Members of
Punit Commercials Limited
Hyderabad.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Punit Commercials Limited** (hereinafter called “the Company”). 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 Company’s 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, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Punit Commercials Limited (“The Company”) for the financial year ended on 31st March, 2022 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guideline prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) is furnished hereunder for the financial year 2021-22: -
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied, wherever applicable.**

- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e., www.punitcommercials.com**
- iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Complied with event-based disclosures, wherever applicable**
- iv. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/ The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable as the Company has not issued any debt securities during the year under review.**
- vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the company has Link Intime India Private Limited as its Share Transfer Agent.**
- vii. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009/ 2021; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- ix. Other applicable laws include the following:
 - The Code on Wages, 2019
 - The Code on Social Security, 2020
 - Income Tax Act, 1961
 - Shops and Establishments Act, 1948

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

During the period under review the Company has complied with the provisions of the Companies Act, 2013, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a) During the year the Company has conducted 7 meetings of the Board of Directors, 4 meetings of the Audit committee, 4 Meetings of Stakeholder Relationship Committee, 3 meeting of Nomination, Remuneration Committee and 1 meeting of Independent Directors.
 - b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
- (i) The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
 - External Commercial Borrowings were not attracted to the Company under the financial year under review;
 - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
 - (ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- i. During the period under review, Ms. Fatima Clifford D'Souza was the Chief Financial Officer and Ms. Shikha Jain was the Company Secretary and Compliance Officer of the Company. However, subsequent to the acquisition of the Company through Open Offer, new management was appointed in Board Meeting held on 04.03.2022.
- ii. Ms. Priyanka Gattani was appointed as the Company Secretary and Compliance Officer of the Company with effect from 01.06.2022.
- iii. The Company has not appointed Internal Auditors for the financial year 2021-2022.
- iv. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- v. Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance or on shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

- vi. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- vii. 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.
- viii. We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- ix. The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

For Vivek Surana & Associates
Practicing Company Secretaries

Sd/-

Vivek Surana
M. No: A24531, CP No. 12901
UDIN: A024531D000910504
Peer Review Cer. No. 1809/2022

Place: Hyderabad
Date: 05.09.2022

ANNEXURE A

**To
The Members of
Punit Commercials Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Vivek Surana & Associates
Practicing Company Secretaries

Sd/-

Vivek Surana
M. No: A24531, CP No. 12901
UDIN: A024531D000910504
Peer Review Cer. No. 1809/2022

Place: Hyderabad
Date: 05.09.2022

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Overview

The Indian economy was predicted to develop well in FY 2021-22 despite of the second wave of the COVID-19 Pandemic that hit the Indian economy and the global economy, backed by Reserve Bank of India (RBI) and government's fiscal and monetary policies, respectively. According to the advance estimates of Economic Survey 2021-22, our country's GDP is expected to grow in real terms by 8.00-8.50% in the financial year 2022-23.

The financial statements of Punit Commercials Limited ("the Company") are prepared in compliance with the applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any amendments or re-enactments thereof) for the time being in force. The Company generated the revenue from the trading of uncut diamonds and other precious stones.

We always want to look ahead and push ourselves to reinvent and re-innovate. Pursuant to the change in management, the new management introspected and realised the need to change the main objects of the Company to:

- a) carry on the business of managing, administrating, organizing, trading, developing, dealing, advising, deploying, implementing, consulting, providing various technologies, and other services in the field of prepaid cards, utility bill payments, micro credit cards, vouchers, coupons, bonus rewards programs, smartcards, e-wallets, purchase on merchant establishment and others to be used;
- b) carry on the business of design, developing, consulting, altering, buying, selling, leasing, licensing, reselling, exchanging, acting as agents, contractors, sub-contractors, distributing, web host (in data centers or over the web), own and third party computer software packages, providing programs, solutions, packages, and to provide internet/web based applications or otherwise Information Technology enabled services;
- c) carry on the business of advertising & marketing including digital marketing, media agents, publicity, public relations, media services, mass communication, market research, sales promotion, to provide digital marketing solutions on Mobile and Internet platforms and to promote their products and services through publicity or advertising time or space or any other media;
- d) undertake designing, development and carrying the business of e-commerce, Business to Business (B2B), Business to Consumer (B2C) dot coms, portals, Electronic commerce(E commerce) solutions of all kinds and nature and to Create online Platform/Web Site where the user can access all the bank accounts held by him in multiple Banks; and
- e) deal in all kinds of goods, novelties, gifts, promotional merchandise of all kinds and nature including but not limited to artifacts, leather goods, plastic goods, electrical and electronic goods, apparels, garments and textile goods, stocking or otherwise.

The new management is of the firm belief that pursuing the new objects, the Company will make a positive turnaround in the years to come.

Industry Structure and Developments

Since the global economy was pushed to its knees by the financial crisis a decade ago followed by COVID-19 pandemic, financial technology entrepreneurs have swooped in and provided more

imaginative solutions to challenges in traditional banking, insurance, and asset management. In recent times, the financial industry has recently experienced remarkable growth due to legislative, regulatory and technological advancements. Numerous new organizations have emerged, and the variety of their services and their geographic reach have expanded as well.

FICCI characterized India's financial sector as one of the fastest growing sectors in the economy, pointing out that it has witnessed increased private sector activity, including IPOs, venture capital and investment institutions.

Opportunities and Threats

We believe our strengths give us the competitive advantage to solve the strategic challenges of business.

Segment –wise or product wise performance:

The Company during the year made a turnover of Rs. 1,59,59,028 and earned a net profit of Rs. 4,22,444 thereon. The Company is not into multi segment or products.

Outlook

Presently the outlook is very promising. Our success depends largely upon our highly-skilled technology professionals and our ability to hire, attract, motivate, retain and train these personnel. Our revenues are highly dependent on the clients. New and changing corporate governance and public disclosure requirements add uncertainty to our compliance policies and increase our costs of compliance.

Risk and Concerns

Any adverse change in the industry or negative policy of Government will affect the company's sector adversely.

Internal Control System and their Adequacy

The company has adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition.

Discussion on financial performance with respect to operational performance

Please refer to the Board's report for the summary of the financial performance.

Material developments in Human Resources/ Industrial Relations front, including number of people employed.

Company has trained and well experienced personnel. The Company had 3 permanent employees during the year 2021-22 and now is planning to scale up the workforce to achieve the objects as amended subsequent to the takeover of the Company.

Details of significant changes

| Particulars | F.Y 2021-22 | F.Y 2020-21 | % of changes | Remarks |
|------------------|-------------|-------------|--------------|---|
| Debtors Turnover | 35.38 | 18.40 | 92.21 | Increase in ratio on account of reduced sales and the overall reduction |

| | | | | |
|-----------------------------|--------|--------|--------|---|
| Inventory Turnover | 1.36 | 11.59 | -88.23 | The reduction in ratio is on account of decreased cost of goods sold and at the same time increase in inventory balance as at the year end. |
| Interest Coverage Ratio | 636.25 | 160.28 | 296.96 | The increase in ratio is on account of decrease in operating Income and further significant reduction in the finance cost during FY 21-22. |
| Current Ratio | 163.98 | 76.24 | 115.08 | The increase in ratio is on account of significant reduction in current liabilities in the financial year 21-22. |
| Debt Equity Ratio | 0.01 | 0.01 | -53.83 | The change is on account of overall reduction in the total liabilities of the company. |
| Operating Profit Margin (%) | 2.67 | 3.78 | -29.42 | Reduction in the ratio on account of reduction of operating income/ profit during the year. |
| Net Profit Margin (%) | 0.03 | 0.04 | -29.57 | Reduction in the ratio on account of reduction of net operating income/ profit during the year. |

Disclosure of Accounting Treatment

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

Cautionary Statement

The statements made in this report describe the Company's objectives and projections that may be forward looking statements within the meaning of applicable laws and regulations. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company.

Independent Auditors' Report

To the Members of PUNIT COMMERCIALS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of PUNIT COMMERCIALS LIMITED (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow ended on that date and notes to the financial Statements and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “Financial Statements”)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No | Key Audit Matter | Auditor's Response |
|--------|---|--|
| 1 | <p>Refer Note 9 "Share Capital" to the Financial Statements.</p> <p>The Company's share holding pattern and management has been changed wherein all new directors are appointed on 04th March 2022 and the erstwhile directors has resigned on 18th March 2022.</p> | <p>Our principal audit procedures performed, among other procedures, included the following:</p> <ul style="list-style-type: none"> • Verified the Shareholding Certificate of the company • Verified the minutes and agenda of the board meeting in which the new Board of Directors has been appointed. • Verified the resolution of the company in which the company appoints a New Managing Director • Verified DIR 12 for appointment and resignation of Director • Verified the appointment of new Director with the Ministry Of Corporate Affairs |

Information other than the Financial Statements and Auditors Report Thereon

The Company's management & Board of Directors are responsible for the other information. The other information comprises the Directors report to be included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Financial Statements

The Company's management & 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid 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, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 the requirements of Section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanation given to us, no managerial remuneration has been paid or provided for the year.

h. 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 financial statements – Refer Note vii (c) in Annexure 1 to the report;
- (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on the long term contracts including derivatives contracts;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (iv) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (v) The company has not declared or paid any dividend during the year and thus sec 123 of Companies Act, 2013 is not applicable.

For DIWAN GOSALIA AND ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 111881W

Sd/-

Hitesh Diwan
Partner
Membership Number - 035079

Place: Mumbai
Date: 30th May, 2022
UDIN: 22035079AJXAJE1653

“Annexure 1” to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2022, we report that:

- (i) In respect to Company’s Fixed Assets:
 - a) A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment 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 by the management 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 and hence not commented upon.
 - d) The Company has not revalued its Property Plant and Equipment or intangible assets or both and so provisions of paragraph 3(i)(d) of the Order in respect of Revaluation of the Property Plant and Equipment are not applicable to the Company and hence not commented upon.
 - e) According to the information and explanation given to us by the company no proceedings have been initiated or are pending against the company for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder. As provisions of paragraph 3(i)(e) of the Order in respect to holding Benami property under the Benami Transactions are not applicable to the Company and hence not commented upon.
- (ii) In respect to Company’s Inventory:
 - a) The management has conducted physical verification of inventory at reasonable intervals during the year. 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. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
 - b) The Company has not sanctioned any working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current asset. Thus provisions of paragraph 3(ii)(b) of the Order in respect to this are not applicable to the Company and hence not commented upon.
- (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) In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Act, with respect to the loans and investments made is not applicable to Company during the year. Thus, paragraph 3(iv) of the order is not applicable.

- (v) The company has not accepted any deposits from the public and hence the directives issued by the Reserve bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by 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, Goods and Service Tax 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 March 31, 2022 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 taxes which have not been deposited by the Company on account of disputes.
- (viii) According to information and explanation given to us, none of the transaction not recorded in books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company does not have any loans or borrowings from any financial institution, banks and government or has not issued any debentures. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3[x (a)] of the Order is not applicable.
(b) In our opinion and according to the information and explanations given to us, the Company has raised money through preferential allotment and right issue of shares and has met the requirements of section 42 and section 62 of the Companies Act, 2013 and have been used for the purpose for which fund has been raised.
- (xi) 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.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (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 Financial Statements as required under Indian Accounting Standards (IND AS) 24, Related party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) (a) According to the information and explanations given to us, the Company has an adequate internal control system which has been commensurate with the size and nature of its business.

- (b) The Company does not meet the criteria specified for internal audit by the internal auditor as specified in Section 138 of Companies Act 2013. Thus paragraph 3[xiv (b)] of the Order is not applicable.
- (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.
- (xvii) The Company has not incurred cash losses in two consecutive financial years thus the paragraph 3(xvii) of the Order is not applicable to the Company.
- (xviii) During the year, no resignation was received from statutory auditor thus the paragraph 3(xviii) of the Order is not applicable to the Company.
- (xix) Based upon the audit procedures performed and the information and explanations given by the management in respect to financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on 31st March 2022 and the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date i.e. 31st March 2022.
- (xx) In our opinion and according to the information and explanations given to us, the company does not exceed the limit as specified under sec 135 of the companies act, Thus paragraph 3(xx) of the Order is not applicable and hence not commented upon.
- (xxi) In our opinion and according to the information and explanations given to us, consolidation of the financial statements as per section 129 (3) of Companies Act, 2013 is not applicable to the Company, Thus paragraph 3(xxi) of the Order is not applicable and hence not commented upon

For DIWAN GOSALIA AND ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 111881W

Sd/-

Hitesh Diwan

Partner

Membership Number - 035079

Place: Mumbai

Date: 30th May, 2022

UDIN: 22035079AJXAJE1653

“Annexure 2” to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2022, we report that:

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, 2022 in conjunction with our audit of the 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, to the best of our information and according to the explanations given to us, 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, 2022, 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.

For DIWAN GOSALIA AND ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 111881W

Sd/-

Hitesh Diwan

Partner

Membership Number - 035079

Place: Mumbai

Date: 30th May, 2022

UDIN: 22035079AJXAJE1653

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

BALANCE SHEET AS AT MARCH 31, 2022

| | Notes | Rupees | As at 31st March, 2022 Rupees | Rupees | As at 31st March, 2021 Rupees |
|--|---------|-------------|-------------------------------------|-------------|-------------------------------------|
| ASSETS | | | | | |
| Non-Current Assets | | | | | |
| Property, Plant and Equipment | 2 | 100 | | 100 | |
| Deferred Tax Asset | 3 | 55 | | 109 | |
| Total Non Current Assets | | | 155 | | 209 |
| Current Assets | | | | | |
| Inventories | 4 | 1,01,77,920 | | 1,08,43,823 | |
| Financial Assets | | | | | |
| Loan and Advance | 5 | 51,02,970 | | - | |
| Trade Receivables | 6 | - | | 8,94,471 | 4,47,235 |
| Cash and Cash Equivalents | 7 | 2,78,271 | | 34,86,192 | |
| Other Current Assets | 8 | 2,44,185 | | 2,63,185 | |
| Total Current Assets | | | 1,58,03,346 | | 1,54,87,671 |
| TOTAL ASSETS | | | 1,58,03,501 | | 1,54,87,880 |
| EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| Equity Share Capital | 9 | 24,00,000 | | 24,00,000 | |
| Other Equity | 10 | 1,33,07,126 | | 1,28,84,736 | |
| Total Equity | | | 1,57,07,126 | | 1,52,84,736 |
| Liabilities | | | | | |
| Current Liabilities | | | | | |
| Financial Liabilities | | | | | |
| Trade Payables | 11 | 82,610 | | 71,545 | |
| Other Financial Liabilities | 12 | 8,765 | | 1,26,599 | |
| Provisions | 13 | 5,000 | | 5,000 | |
| Total Current Liabilities | | | 96,375 | | 2,03,144 |
| Total Equity and Liabilities | | | 1,58,03,501 | | 1,54,87,880 |
| Summary of Significant Accounting Policies | 1 | | | | |
| The accompanying notes are an integral part of the financial statements. | 1 to 25 | | | | |

As per our report of even date.
For DIWAN GOSALIA & ASSOCIATES
Chartered Accountants.
 Firm Registration No.: 111881W
 Sd/-
 (HITESH DIWAN)
Partner.
 Membership No.035079
 Place : Mumbai
 Date: 30.05.2022

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

Sd/-
 Vinita Raj Narayanam
Managing Director
 DIN : 09319780
 Place :Hyderabad
 Date: 30.05.2022

Sd/-
 Anjana Ramesh Thakker
Director
 DIN : 09521916
 Place :Hyderabad
 Date: 30.05.2022

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

| | Notes | Current Year Rupees | Previous Year Rupees |
|--|-------------|------------------------|-------------------------|
| INCOME | | | |
| Revenue from Operations | 14 | 1,58,21,063 | 7,65,70,694 |
| Other Income | 15 | 1,37,965 | 87,381 |
| | 4,23,108.81 | | |
| Total Revenue (I) | | 1,59,59,028 | 7,66,58,075 |
| EXPENSES | | | |
| <i>Cost of materials consumed</i> | | | |
| Purchases of Stock-in-Trade | 16 | 1,36,65,644 | 8,17,43,195 |
| Changes in the inventories of finished goods work-in-progress and Stock-in-Trade | 17 | 6,65,903 | (91,62,238) |
| Employee Benefits Expense | 18 | 3,66,355 | 3,99,660 |
| Finance Cost | 19 | 665 | 18,187 |
| Other Expenses | 20 | 8,38,017 | 7,62,403 |
| Total Expenses (II) | | 1,55,36,584 | 7,37,61,208 |
| Profit / (Loss) before Tax (I-II) | | 4,22,444 | 28,96,868 |
| Tax Expense | | | |
| Current Tax | | - | 5,000 |
| (Excess)/Short Tax Provision of earlier years | | - | (10,968) |
| Deferred Tax | 3 | 54 | 89 |
| | | 54 | (5,879) |
| Profit / (Loss) for the Year | | 4,22,390 | 29,02,747 |
| Earnings per equity share [nominal value of share Rs.10/-] | | | |
| Basic (In Rs.) | 21 | 1.76 | 12.09 |
| Diluted (In Rs.) | | 1.76 | 12.09 |
| Summary of Significant Accounting Policies | | | |
| | 1 | | |
| The accompanying notes are an integral part of the financial statements. | | | |
| | 1 to 25 | | |
| As per our report of even date. | | | |

For DIWAN GOSALIA & ASSOCIATES
Chartered Accountants.
Firm Registration No.: 111881W

Sd/-
(HITESH DIWAN)
Partner.
Membership No.035079
Place : Mumbai
Date: 30.05.2022

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

Sd/-
Vinita Raj Narayanam
Managing Director
DIN : 09319780
Place :Hyderabad
Date: 30.05.2022

Sd/-
Anjana Ramesh Thakker
Director
DIN : 09521916
Place :Hyderabad
Date: 30.05.2022

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

| | Current Year Rupees | Previous Year Rupees |
|--|--------------------------------|---------------------------------|
| A) <u>Cash flow from operating activities</u> | | |
| Net profit as per P&L A/C before tax & extraordinary items | 4,22,444 | 28,96,868 |
| <u>Add:</u> Finance cost | 665 | 18,187 |
| <u>Less:</u> Interest Income | (1,37,965) | (82,131) |
| | 2,85,144 | 28,32,924 |
| <u>Adjustments for Changes in Working Capital :</u> | | |
| Inventories | 6,65,903 | (91,62,238) |
| Trade Receivables | 8,94,471 | 65,31,891 |
| Other Current Assets | (1,07,153) | 31,188 |
| Other Payables | (1,17,834) | 1,15,149 |
| Trade Payables | 11,065 | (73,715) |
| Cash flow from Operating activities | 16,31,596 | 2,75,199 |
| <u>Add:</u> Income Tax Refund | 1,41,090 | 2,33,645 |
| <u>Less:</u> Income Tax Paid | (14,937) | (1,01,316) |
| Net Cash flow from Operating activities | 17,57,749 | 4,07,528 |
| B) <u>Cash flow from Investment activities</u> | | |
| Interest income | 23,554 | 82,131 |
| Cash flow from Investment activities | 23,554 | 82,131 |
| C) <u>Cash flow from Financing activities</u> | | |
| Loan (Given)/Received | (51,02,970) | |
| Interest (paid)/Received | 1,13,746 | (18,187) |
| Cash flow from Financing activities | (49,89,224) | (18,187) |
| Net Increase/ (Decrease) in Cash & Cash Equivalents | (32,07,921) | 4,71,472 |
| <u>Add:</u> Opening Balance of Cash & Cash Equivalents | 34,86,192 | 30,14,720 |
| Closing Balance of Cash & Cash Equivalents (Refer Note. 6) | 2,78,271 | 34,86,192 |

As per our attached report of even date

FOR DIWAN GOSALIA & ASSOCIATES

Chartered Accountants
FRN : 111811W

Sd/-
(Hitesh Diwan)
Partner
Membership No :- 035079
Place: Mumbai
Date : 30.05.2022

For and on behalf of the Board of Directors

PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880

| | |
|--|--|
| Sd/- Vinita Raj Narayanam Managing Director DIN : 09319780 Place :Hyderabad Date: 30.05.2022 | Sd/- Anjana Ramesh Thakker Director DIN : 09521916 Place :Hyderabad Date: 30.05.2022 |
|--|--|

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

| A <u>Equity Share Capital</u> | | | | |
|---|---|---|--|--------------------------------------|
| Balance as at 1st April 2021 | Changes in Equity Share Capital due to Prior Period Errors | Restate balance at the beginning of the current year | Changes in equity share capital during the year | Balance as at 31st March 2022 |
| 24,00,000 | - | 24,00,000 | - | 24,00,000 |
| <hr/> | | | | |
| Balance as at 1st April 2020 | Changes in Equity Share Capital due to Prior Period Errors | Restate balance at the beginning of the current year | Changes in equity share capital during the year | Balance as at 31st March 2021 |
| 24,00,000 | - | 24,00,000 | - | 24,00,000 |
| <hr/> | | | | |
| B <u>Other Equity</u> | | | | |
| Reserves and Surplus | | | | |
| Particulars | General Reserve | Retained Earnings | Total | |
| Balance as at 1st April,2021 | 2,45,000 | 1,26,39,736 | - | |
| Add /(Less) : | | | | |
| Profit / (Loss) for the year 2021-22 | - | 4,22,390 | 4,22,390 | |
| Balance as at 31st March,2022 | 2,45,000 | 1,30,62,126 | 1,33,07,126 | |
| <hr/> | | | | |
| Particulars | General Reserve | Retained Earnings | Total | |
| Balance as at 1st April,2020 | 2,45,000 | 97,36,989 | 99,81,989 | |
| Add /(Less) : | | | | |
| Profit / (Loss) for the year 2020-21 | - | 29,02,747 | 29,02,747 | |
| Balance as at 31st March,2021 | 2,45,000 | 1,26,39,736 | 1,28,84,736 | |

As per our report of even date.

For DIWAN GOSALIA & ASSOCIATES

Chartered Accountants.

Firm Registration No.: 111881W

Sd/-

(HITESH DIWAN)

Partner.

Membership No.035079

Place : Mumbai

Date: 30.05.2022

For and on behalf of the Board of Directors

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

Sd/-

Vinita Raj Narayanam

Managing Director

DIN : 09319780

Place :Hyderabad

Date: 30.05.2022

Sd/-

Anjana Ramesh Thakker

Director

DIN : 09521916

Place :Hyderabad

Date: 30.05.2022

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

Note 1 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 - 2022, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (East) Mumbai - 400 051, India.

The Company is engaged in business of Trading of diamonds and 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.

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. 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.

d. 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.

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e. **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.

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 includes income from Dividends, Interest, income from trading of shares and other financial instruments and income from trading of diamonds. 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.

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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. 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 judgment, 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.

Judgments 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 judgment 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.

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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 judgment 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.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

2 Property, Plant and Equipment as on 31 March 2022

| Particulars | Gross Block | | | Accumulated Depreciation | | | | Net Block | |
|-------------------|-----------------------|--------------------------------------|-------------------------|--------------------------|---------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| | As at 1 st April,2021 | Additions / (Deductions) Adjustments | As at 31 st March, 2022 | As at 1 st April,2021 | Depreciation for the year | Reversal on disposal | As at 31 st March, 2022 | As at 31 st March, 2022 | As at 31 st March, 2021 |
| | \ | \ | \ | \ | \ | \ | \ | \ | \ |
| a Tangible Assets | | | | | | | | | |
| Computers | 35,700 | - | 35,700 | 35,600 | - | - | 35,600 | 100 | 100 |
| Total | 35,700 | - | 35,700 | 35,600 | - | - | 35,600 | 100 | 100 |

2 Property, Plant and Equipment as on 31 March 2021

| Particulars | Gross Block | | | Accumulated Depreciation | | | | Net Block |
|-------------------|-----------------------|--------------------------------------|-------------------------|--------------------------|---------------------------|----------------------|-------------------------|-------------------------|
| | As at 1 st April,2020 | Additions / (Deductions) Adjustments | As at 31 st March, 2021 | As at 1 st April,2020 | Depreciation for the year | Reversal on disposal | As at 31 st March, 2021 | As at 31 st March, 2021 |
| | \ | \ | \ | \ | \ | \ | \ | \ |
| a Tangible Assets | | | | | | | | |
| Computers | 35,700 | - | 35,700 | 35,600 | - | - | 35,600 | 100 |
| Total | 35,700 | - | 35,700 | 35,600 | - | - | 35,600 | 100 |

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note 3 DEFERRED TAX ASSET

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|-------------------------------|-----------------------|-----------------------|
| | Rupees | Rupees |
| Deferred tax asset | | |
| Property Plant and Equipment | 55 | 109 |
| Gross deferred tax Asset | 55 | 109 |
| Net deferred tax Asset | 55 | 109 |

Note 4 INVENTORIES

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|---------------------------|-----------------------|-----------------------|
| | Rupees | Rupees |
| Rough Diamonds | 62,32,320 | 1,08,43,823 |
| Cut and Polished Diamonds | 39,45,600 | - |
| Total Inventories | 1,01,77,920 | 1,08,43,823 |

Note 5 LOAN AND ADVANCE

a) Summary as at the balancesheet date

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|--|-----------------------|-----------------------|
| | Rupees | Rupees |
| Unsecured, considered good (Intercorporate Loan- repayable on demand @6% interest rate) | 51,02,970 | - |
| | 51,02,970 | - |

Note 6 TRADE RECEIVABLES

a) Summary as at the balancesheet date

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|----------------|-----------------------|-----------------------|
| | Rupees | Rupees |
| Debtors-Goods | - | 7,94,225 |
| Debtors-Shares | - | 1,00,246 |
| Total | - | 8,94,471 |

b) Ageing as per Schedule III as at balancesheet date

| PARTICULARS | As At 31st March, 2022 | | | |
|--|---------------------------|------------------|----------|----------|
| | Less than 6 months | 6 months - 1year | 1-2years | Total |
| Undisputed Trade receivables – considered good | - | - | - | - |
| Undisputed Trade Receivables – considered doubtful | - | - | - | - |
| Disputed Trade Receivables considered good | - | - | - | - |
| Disputed Trade Receivables considered doubtful | - | - | - | - |
| Less: Provision for doubtful debts | - | - | - | - |
| Net Trade Receivables- Debit Balances | - | - | - | - |

| PARTICULARS | As At 31st March, 2022 | | | |
|--|---------------------------|------------------|----------|----------|
| | Less than 6 months | 6 months - 1year | 1-2years | Total |
| Undisputed Trade receivables – considered good | 8,94,471 | - | - | - |
| Undisputed Trade Receivables – considered doubtful | - | - | - | - |
| Disputed Trade Receivables considered good | - | - | - | - |
| Disputed Trade Receivables considered doubtful | - | - | - | - |
| Less: Provision for doubtful debts | - | - | - | - |
| Net Trade Receivables- Debit Balances | 8,94,471 | - | - | - |

Note 7 CASH AND CASH EQUIVALENTS

| Particulars | As at 31st March 2022 | | As at 31st March 2021 | |
|--|-----------------------|-----------------|-----------------------|------------------|
| | Rupees | Rupees | Rupees | Rupees |
| A. Balances with banks In Current Accounts | 46,527 | | 18,29,448 | |
| B. Cash on hand | 2,31,744 | | 2,56,744 | |
| C. Flexi Deposits and interest accrued thereon | - | | 14,00,000 | |
| Total Cash and cash equivalents (A+B+C) | | 2,78,271 | | 34,86,192 |

PUNIT COMMERCIALS LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note 8 OTHER CURRENT ASSETS

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|---|-----------------------|-----------------------|
| | Rupees | Rupees |
| Others : Unsecured, considered good To be recoverable in cash or in kind for the value to be received. | 2,44,185 | 2,63,185 |
| Total Other Current Assets | 2,44,185 | 2,63,185 |

Note 9 SHARE CAPITAL

| Share Capital | As at 31st March 2022 | | As at 31st March 2021 | |
|---|-----------------------|------------------|-----------------------|-----------|
| | Number | Rupees | Number | Rupees |
| Authorised Equity Shares of ` 10 each | 2,50,000 | 25,00,000 | 2,50,000 | 25,00,000 |
| Issued,Subscribed & Paid up Equity Shares of ` 10 each fully paid | 2,40,000 | 24,00,000 | 2,40,000 | 24,00,000 |
| Total | | | | |

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

| Particulars - Equity Shares | As at 31st March 2022 | | As at 31st March 2021 | |
|---|-----------------------|------------------|-----------------------|-----------|
| | Number | Rupees | Number | Rupees |
| Shares outstanding at the beginning of the year | 2,40,000 | 24,00,000 | 2,40,000 | 24,00,000 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 2,40,000 | 24,00,000 | 2,40,000 | 24,00,000 |

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 | As at 31st March 2022 | | As at 31st March 2021 | |
|-----------------------------------|-----------------------|---------------|-----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Vinita Raj Narayanam | 1,76,975 | 73.74% | - | 0.00% |
| Priya Nirav Mehta | - | 0.00% | 32,330 | 13.47% |
| Nirav Prabodh Mehta- Ex Director | - | 0.00% | 49,550 | 20.65% |
| Purnima Prabodh Mehta-Ex Director | - | 0.00% | 53,850 | 22.44% |
| Subir Diamonds Private Limited | - | 0.00% | 31,550 | 13.15% |

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 | As at 31st March 2022 | As at 31st March 2021 |
|--|-----------------------|-----------------------|
| | Rupees | Rupees |
| a. General Reserve | | |
| Opening Balance | 2,45,000 | 2,45,000 |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | 2,45,000 | 2,45,000 |
| b. Surplus | | |
| Opening balance | 1,26,39,736 | 97,36,989 |
| (+) Net Profit/(Net Loss) For the current year | 4,22,390 | 29,02,747 |
| (+) Transfer from Reserves | - | - |
| (-) Transfer to Reserves | - | - |
| Closing Balance | 1,30,62,126 | 1,26,39,736 |
| Total Reserves & Surplus | 1,33,07,126 | 1,28,84,736 |

PUNIT COMMERCIALS LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note 11 TRADE PAYABLES

a) Summary as at the balancesheet date

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|-----------------------------|--------------------------|--------------------------|
| | Rupees | Rupees |
| Trade Payables | 82,610 | 71,545 |
| Total Trade Payables | 82,610 | 71,545 |

b) Ageing as per Schedule III as at balancesheet date

| PARTICULARS | As At 31st March, 2022 | | | | |
|------------------------|---------------------------|-----------|-----------|----------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | - | - | - | - | - |
| Others | 82,610 | - | - | - | 82,610 |
| Disputed dues (MSMEs) | - | - | - | - | - |
| Disputed dues (Others) | - | - | - | - | - |
| Total | 82,610 | - | - | - | 82,610 |

| PARTICULARS | As At 31st March, 2021 | | | | |
|------------------------|---------------------------|-----------|-----------|----------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | - | - | - | - | - |
| Others | 71,545 | - | - | - | 71,545 |
| Disputed dues (MSMEs) | - | - | - | - | - |
| Disputed dues (Others) | - | - | - | - | - |
| Total | 71,545 | - | - | - | 71,545 |

Note 12 OTHER FINANCIAL LIABILITIES

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|----------------------------------|--------------------------|--------------------------|
| | Rupees | Rupees |
| (a) Other Payables | 8,765 | 1,26,599 |
| Total Current Liabilities | 8,765 | 1,26,599 |

Note 13 PROVISION

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|----------------------------------|--------------------------|--------------------------|
| | Rupees | Rupees |
| (b) Provision for Tax FY 20-21 | 5,000 | 5,000 |
| (c) Provision for Tax FY 21-22 | - | - |
| Total Current Liabilities | 5,000 | 5,000 |

PUNIT COMMERCIALS LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note 14 REVENUE FROM OPERATIONS

| Particulars | Current Year | | Previous Year | |
|---------------------------------------|--------------|--------------------|---------------|--------------------|
| | Rupees | Rupees | Rupees | Rupees |
| Revenue from Sales : | | | | |
| Sale of Diamonds | | 1,58,30,019 | | 27,99,604 |
| Sale of Shares | | | 7,14,67,733 | |
| Less: STT | | | (1,39,341) | |
| Less: Service and Other Charges | | - | (5,21,425) | 7,08,06,966 |
| Other Operating Revenue : | | | | |
| FNO Income / (Loss) | 1,78,827 | | 5,05,072 | |
| Less: Service and Other Charges | (1,66,218) | | | |
| Less: STT | (21,565) | (8,956) | (79,477) | 4,25,595 |
| Speculation Income | | | (2,12,812) | |
| Less: Service and Other Charges | | | (69,023) | |
| Less: STT | | - | (59,508) | (3,41,343) |
| Income/(Loss) From Currency - Trading | | | (12,413) | |
| Less: Service Tax and Other Charges | | - | (1,616) | (14,029) |
| Income from MCX | | | | 5,16,770 |
| Commission Income | | | | 23,77,131 |
| Net Revenue From Operations | | 1,58,21,063 | | 7,65,70,694 |

Note 15 OTHER INCOME

| Particulars | Current Year | Previous Year |
|--|-----------------|---------------|
| | Rupees | Rupees |
| <u>Interest Income (in case of a company other than a finance company)</u> | | |
| Interest on Term Deposits | 13,404 | 71,616 |
| Interest on Income Tax Refund | 10,150 | 10,515 |
| Interest Received on Loan | 1,14,411 | - |
| Dividend Income | | 5,250 |
| Total Other Income | 1,37,965 | 87,381 |

Note 16 PURCHASE OF STOCK IN TRADE

| Particulars | Current Year | Previous Year |
|-------------------------------------|--------------------|--------------------|
| | Rupees | Rupees |
| Purchase of Rough Diamonds | 97,20,044 | 1,35,10,460 |
| Purchase of Cut & Polished Diamonds | 39,45,600 | |
| Purchase of Shares | - | 6,82,32,735 |
| Total Purchases | 1,36,65,644 | 8,17,43,195 |

Note 17 (INCREASE) / DECREASE IN INVENTORIES

| Particulars | Current Year | Previous Year |
|---|-----------------|--------------------|
| | Rupees | Rupees |
| Inventories at the end of the year | | |
| Diamond | 1,01,77,920 | 1,08,43,823 |
| Inventories at the beginning of the year | | |
| Diamond | 1,08,43,823 | - |
| Shares | - | 16,81,585 |
| Net (Increase) / Decrease in Inventories | 6,65,903 | (91,62,238) |

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note 18 EMPLOYEE BENEFIT EXPENSES

| Particulars | Current Year | Previous Year |
|--|-----------------|-----------------|
| | Rupees | Rupees |
| (a) Salaries, Wages and bonus | 3,66,355 | 3,99,660 |
| Total Employee Benefit Expenses | 3,66,355 | 3,99,660 |

Note 19 FINANCE COST

| Particulars | Current Year | | Previous Year | |
|----------------------------|--------------|------------|---------------|---------------|
| | Rupees | Rupees | Rupees | Rupees |
| <u>Interest expenses</u> | | | | |
| Interest expenses | | | 17,337 | |
| Interest on Statutory Dues | 665 | 665 | 850 | 18,187 |
| Total Finance Cost | | 665 | | 18,187 |

Note 20 OTHER EXPENSES

| Particulars | Current Year | Previous Year |
|----------------------------------|-----------------|-----------------|
| | Rupees | Rupees |
| Auditors' Remuneration | 30,000 | 30,000 |
| Advertisement | 38,600 | 32,640 |
| Data Processing Charges | 48,000 | 48,000 |
| Demat Charges | 5,701 | 1,034 |
| Custodian Fees | 28,000 | 18,000 |
| Listing Fees | 3,00,000 | 3,00,000 |
| Office Expense | 17,950 | 15,001 |
| Office Rent | 24,000 | 24,000 |
| Professional Fees and Legal Fees | 3,22,900 | 2,73,975 |
| ROC Charges | 5,605 | 3,500 |
| Website Expenses | 10,945 | 9,081 |
| Printing & Stationary | 750 | 1,100 |
| Bank Charges | 766 | 1,073 |
| Profession Tax | 4,800 | 5,000 |
| Total Other Expenses | 8,38,017 | 7,62,403 |

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

| Particulars | Current Year | Previous Year |
|----------------|---------------|---------------|
| As Auditors | 30,000 | 30,000 |
| Other Services | 12,000 | 20,000 |
| | 42,000 | 50,000 |

Note 21 Earning per share :

| Particulars | Current Year | Previous Year |
|---|--------------|---------------|
| Basic earning per share | | |
| Net profit after Taxation | 4,22,390 | 29,02,747 |
| Number of shares issued (Nominal Value RS.10) | 2,40,000 | 2,40,000 |
| Basic earning per share | 1.76 | 12.09 |
| Diluted earning per share | | |
| Net profit after Taxation | 4,22,390 | 29,02,747 |
| Number of shares issued (Nominal Value RS.10) | 2,40,000 | 2,40,000 |
| Diluted earning per share | 1.76 | 12.09 |

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note 22 “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. There are no MSME Vendor outstanding as at 31st March 2022

Note 23 Related Party Disclosures :

a) Key Managerial Personnel :

| Name | Designation |
|-----------------------------|-------------------------|
| Nirav Mehta | Ex-Director |
| Purnima Mehta | Ex-Director |
| Sujit Mehta | Ex-Director |
| Fatima D'souza | Ex- C.F.O |
| Vinita Raj Narayanam | Managing Director |
| Suryaprakasa Rao Bommisetti | Independent Director |
| Anjana Ramesh Thakker | Non- Executive Director |
| Aakanksha | Independent Director |

Relatives of KMP or Entities in which KMP have control or significant influence :

Priya Mehta
Sakshi Mehta
Siddhi Sujit Mehta
Subir Diamonds Pvt Ltd
Diavest Commercials LLP

b) Transactions with related Parties :

| Related Party | Relationship | Nature of transaction | Current Year | Previous Year |
|-------------------------|----------------------------|--------------------------------------|---------------------|----------------------|
| Nirav Mehta | Director | Sale of Shares | - | 3,20,000 |
| Purnima Mehta | Director | Rent Paid | 24,000 | 24,000 |
| Fatima D'souza | C.F.O | Salary paid | 2,01,355 | 2,19,660 |
| Diavest Commercials LLP | One of Director is Partner | Purchase of Goods (Excluding GST) | 1,24,37,900 | 1,35,10,460 |

PUNIT COMMERCIALS LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note 24 Ratio Analysis

| Sr No. | Particulars | 31st March, 2022 (Rupees) | 31st March, 2021 (Rupees) | %Change | Remarks |
|--------|--|------------------------------|------------------------------|---------|--|
| 1 | Current Ratio | 163.98 | 76.24 | 115.08% | The increase in current ratio is on account of significant reduction in current liabilities in the financial year 21-22. |
| 2 | Debt to Equity Ratio | 0.01 | 0.01 | -53.83% | The change is on account of overall reduction in the total liabilities of the company. |
| 3 | Debt Service Coverage Ratio | 636.25 | 160.28 | 296.96% | The increase in coverage ratio is on account of decrease in operating income and further significant reduction in the finance cost during fy 21-22. |
| 4 | Return on Equity | 0.03 | 0.19 | -85.84% | The reduction in return of equity is on account of reduction in profit during the financial year 21-22. |
| 5 | Inventory Turnover Ratio | 1.36 | 11.59 | -88.23% | The reduction in inventory turnover ratio is on account of decreased cost of goods sold and at the same time increase in inventory balance as at the year end. |
| 6 | Trade Receivable Turnover Ratio | 35.38 | 18.40 | 92.21% | Increase in ratio on account of reduced sales and the overall reduction in the debtors outstanding balance as at FY 21-22. |
| 7 | Trade Payable Turnover Ratio | 177.30 | 754.07 | -76.49% | Reduction on account of reduction in overall payable balance as at FY 21-22. |
| 8 | Net Capital Turnover Ratio | 1.02 | 5.02 | -79.74% | Reduction in the ratio on account of reduction of net operating income/profit during the year. |
| 9 | Net Profit Ratio | 0.03 | 0.04 | -29.57% | Reduction in the ratio on account of reduction of net operating income/profit during the year. |
| 10 | Return on Capital Employed | 0.03 | 0.19 | -85.88% | Reduction in the ratio on account of reduction of net operating income/profit during the year. |
| 11 | Return on Investment | 0.00 | 0.00 | 0.00% | |

Note 25 Previous Year Figures:

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

As per our report of even date.

For DIWAN GOSALIA & ASSOCIATES

Chartered Accountants.

Firm Registration No.: 111881W

Sd/-

(HITESH DIWAN)

Partner.

Membership No.035079

Place : Mumbai

Date: 30.05.2022

For and on behalf of the Board of Directors

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

Sd/-

Anjana Ramesh Thakker

Director

DIN: 09521916

Place: Hyderabad

Date: 30.05.2022

Sd/-

Vinita Raj Narayanam

Managing Director

DIN : 09319780

Place :Hyderabad

Date: 30.05.2022

PUNIT COMMERCIAL LTD

FY-2021-22

| | | | | | | | |
|----|---------------------------------|---|---|---|-----------------------------------|---|---------|
| 1 | Current Ratio | = | $\frac{\text{Current Asset}}{\text{Current Liabilities}}$ | = | $\frac{1,58,03,346}{96,375}$ | = | 163.98 |
| 2 | Debt to Equity Ratio | = | $\frac{\text{Total Liabilities}}{\text{Total Shareholders Equity}}$ | = | $\frac{96,375}{1,57,07,126}$ | = | 0.01 |
| 3 | Debt Service Coverage Ratio | = | $\frac{\text{Net Operating Income}}{\text{Debt Service}}$ | = | $\frac{4,23,109}{665}$ | = | 636.25 |
| 4 | Return on Equity | = | $\frac{\text{Net Income}}{\text{Shareholders Equity}}$ | = | $\frac{4,22,390}{1,57,07,126}$ | = | 0.03 |
| 5 | Inventory Turnover Ratio | = | $\frac{\text{COGS}}{(\text{Op Stock} + \text{Cl Stock})/2}$ | = | $\frac{1,43,31,547}{1,05,10,872}$ | = | 1.36 |
| 6 | Trade Receivable Turnover Ratio | = | $\frac{\text{Net Credit Sales}}{\text{Average Accounts Receivable}}$ | = | $\frac{1,58,21,063}{4,47,235}$ | = | 35.38 |
| 7 | Trade Payable Turnover Ratio | = | $\frac{\text{Net Credit Purchase}}{\text{Average Accounts Payable}}$ | = | $\frac{1,36,65,644}{77,078}$ | = | 177.30 |
| 8 | Net Capital Turnover Ratio | = | $\frac{\text{Net Annual Sales}}{\text{Working Capital}}$ | = | $\frac{1,59,59,028}{1,57,06,971}$ | = | 1.02 |
| 9 | Net Profit Ratio | = | $\frac{\text{Net Profit} * 100}{\text{Net Sales}}$ | = | $\frac{4,22,390}{1,58,21,063}$ | = | 2.67% |
| 10 | Return on Capital Employed | = | $\frac{\text{Earning Before Interest and Tax (EBIT)}}{\text{Capital Employed}}$ | = | $\frac{4,23,109}{1,57,07,126}$ | = | 0.03 |
| 11 | Return on Investment | = | $\frac{\text{Current Value Investment} - \text{Cost of Investment}}{\text{Cost of Investment}}$ | = | | = | #DIV/0! |

| | | |
|----------------------|--------------------|--------------------|
| Diamond | 2022 | 2021 |
| OP STOCK | | |
| Diamnod Shares | 1,08,43,823 | - |
| | - | 16,81,585 |
| | <u>1,08,43,823</u> | <u>16,81,585</u> |
| Add Purch | | |
| Diamnod Shares | 1,36,65,644 | 1,35,10,460 |
| | - | 6,82,32,735 |
| | <u>1,36,65,644</u> | <u>8,17,43,195</u> |
| Less Cl stock | | |
| Diamnod Shares | 1,01,77,920 | 1,08,43,823 |
| | - | - |
| | <u>1,01,77,920</u> | <u>1,08,43,823</u> |
| COGS | 1,43,31,547 | 7,25,80,957 |
| | 1,05,10,872 | 62,62,704 |

| FY-2020-21 | | | | |
|------------|---------------------------------|---|---|-----------|
| 1 | Current Ratio | = | $\frac{\text{Current Asset}}{\text{Current Liabilities}} = \frac{1,54,87,671}{2,03,144}$ | = 76.24 |
| 2 | Debt to Equity Ratio | = | $\frac{\text{Total Liabilities}}{\text{Total Shareholders Equity}} = \frac{2,03,144}{1,52,84,736}$ | = 0.01 |
| 3 | Debt Service Coverage Ratio | = | $\frac{\text{Net Operating Income}}{\text{Debt Service}} = \frac{29,15,055}{18,187}$ | = 160.28 |
| 4 | Return on Equity | = | $\frac{\text{Net Income}}{\text{Shareholders Equity}} = \frac{29,02,747}{1,52,84,736}$ | = 0.19 |
| 5 | Inventory Turnover Ratio | = | $\frac{\text{COGS}}{(\text{Op Stock} + \text{Cl Stock})/2} = \frac{7,25,80,957}{62,62,704}$ | = 11.59 |
| 6 | Trade Receivable Turnover Ratio | = | $\frac{\text{Net Credit Sales}}{\text{Average Accounts Receivable}} = \frac{7,65,70,694}{41,60,417}$ | = 18.40 |
| 7 | Trade Payable Turnover Ratio | = | $\frac{\text{Net Credit Purchase}}{\text{Average Accounts Payable}} = \frac{8,17,43,195}{1,08,403}$ | = 754.07 |
| 8 | Net Capital Turnover Ratio | = | $\frac{\text{Net Annual Sales}}{\text{Working Capital}} = \frac{7,66,58,075}{1,52,84,527}$ | = 5.02 |
| 9 | Net Profit Ratio | = | $\frac{\text{Net Profit} * 100}{\text{Net Sales}} = \frac{29,02,747}{7,65,70,694}$ | = 3.79% |
| 10 | Return on Capital Employed | = | $\frac{\text{Earning Before Interest and Tax (EBIT)}}{\text{Capital Employed}} = \frac{29,15,055}{1,52,84,736}$ | = 0.19 |
| 11 | Return on Investment | = | $\frac{\text{Current Value Investment} - \text{Cost of Investment}}{\text{Cost of Investment}} = \frac{-}{-}$ | = #DIV/0! |

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880
GROUPINGS TO NOTE TO BALANCE SHEET

Grouping to Note No. 5

TRADE RECEIVABLES

| Particulars | March 31, 2022 | | | March 31, 2021 | | |
|---|--------------------|--------|-------|--------------------|-----------|-----------|
| | More than 6 Months | Others | Total | More than 6 Months | Others | Total |
| Phillipcapital (I) Pvt Ltd.-Currency | - | - | - | - | -50.00 | -50.00 |
| Phillipcapital (I) Pvt Ltd.-(F&O) | - | - | - | - | - | - |
| Phillipcapital (I) Pvt Ltd.-(NSE) | - | - | - | - | -366 | -366 |
| Phillipcapital (I) Pvt Ltd.-(BSE) | - | - | - | - | - | - |
| Phillipcapital (I) Pvt Ltd.-MP | - | - | - | - | 1,00,662 | 1,00,662 |
| Phillip Capital (I) Pvt. Ltd. - MCX | - | - | - | - | - | - |
| Sharekhan Commodities (I) Pvt. Ltd. - MCX | - | - | - | - | 0 | 0 |
| Sharekhan I TD - FNO | - | - | - | - | 3,00,328 | 3,00,328 |
| Sharekhan Ltd. - Currency | - | - | - | - | - | - |
| Sharekhan Ltd. - MF | - | - | - | - | -0 | -0 |
| Sharekhan Ltd. - BSE/NSE | - | - | - | - | -3,00,328 | -3,00,328 |
| P.C.B.Exports | - | - | - | - | 7,94,225 | 7,94,225 |
| Total Trade Receivables | - | - | - | - | 8,94,471 | 8,94,471 |

Grouping to Note No. 6

CASH AND CASH EQUIVALENTS

| Particulars | March 31, 2022 | | March 31, 2021 | |
|--|----------------|----------|----------------|-----------|
| | Rupees | Rupees | Rupees | Rupees |
| A. Balances with banks | | | | |
| Bank of Baroda | | | 92,932 | |
| Bank of India | | | 8,415 | |
| ICICI Bank | | | 1,10,920 | |
| IndusInd Bank | | | 10,001 | |
| Punjab National Bank (Earlier OBC) | 46,527 | | 16,07,180 | |
| | | 46,527 | | 18,29,448 |
| B. Cash on hand | | 2,31,744 | | 2,56,744 |
| C. Flexi Deposits and interest accrued thereon | | | | 14,00,000 |
| Total Cash and cash equivalents (A+B+C) | | 2,78,271 | | 34,86,192 |

OTHER CURRENT ASSETS

Details of Advance Tax and TDS

| Particulars | March 31, 2022 | | March 31, 2021 | |
|----------------------------------|----------------|----------|----------------|----------|
| | Rupees | Rupees | Rupees | Rupees |
| <u>Assessment Year 2018-19</u> | | | | |
| TDS on FD Interest | | 5,204 | | 5,204 |
| <u>Assessment Year 2019-20</u> | | | | |
| TDS on FD Interest | | - | | - |
| <u>Assessment Year 2020-21</u> | | | | |
| TDS on FD Interest | | - | | 1,41,090 |
| <u>Assessment Year 2021-22</u> | | | | |
| TDS on Income | | 94,908 | - | 94,908 |
| TCS on Purchase | | 6,408 | | 6,408 |
| <u>Assessment Year 2022 - 23</u> | | | | |
| TDS on Income | | 11,441 | | - |
| TCS on Purchase | | 3,496 | | - |
| | | 1,21,457 | | 2,47,610 |
| | | 1,21,457 | | 2,47,610 |

Grouping to Note No. 7

LOAN

| Particulars | March 31, 2022 | March 31, 2021 |
|-----------------------|----------------|----------------|
| Dwip Agencies Pvt Ltd | 51,02,970 | - |
| | 51,02,970 | - |

PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880
GROUPINGS TO NOTE TO BALANCE SHEET

Grouping to Note No. 7

OTHER CURRENT ASSETS

| Particulars | March 31, 2022 | | March 31, 2021 | |
|------------------------------------|-----------------|-----------------|----------------|----------|
| | | | | |
| Other Current assets | | | | |
| Prepaid Expenses | - | | 15,575 | |
| GST Receivable | 1,22,728 | | - | |
| Details of Advance Tax , TDS & TCS | 1,21,457 | | 2,47,610 | |
| | | 2,44,185 | | 2,63,185 |

Grouping to Note No. 10

TRADE PAYABLES

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|---------------|----------------|---------------|
| | | | | |
| Creditors for Expenses | | | | |
| Diwan Gosalia & Associates | 27,000 | | 27,750 | |
| Link intime India Pvt Ltd | 9,790 | | 9,440 | |
| NSDL | 11,800 | | - | |
| Central Depository Service India Pvt.Ltd. | | | 5,900 | |
| K.P. Mehta : & Co | | | 27,625 | |
| Sampat & Mehta | 10,395 | | 830 | |
| Purnima P Mehta | 24,000 | 82,985 | - | 71,545 |
| Less: Advance to Creditors | | | | |
| K.P. Mehta and Co | 375 | 375 | - | - |
| TOTAL | | 82,610 | | 71,545 |

Grouping to Note No. 11

OTHER FINANCIAL LIABILITIES

| Particulars | March 31, 2022 | | March 31, 2021 | |
|--|----------------|--------------|----------------|-----------------|
| | | | | |
| Statutory Liabilities | | | | |
| TDS on Professional Fees | 6,265 | | 6,731 | |
| Professional Tax Payable | 2,500 | | - | |
| GST Payable | - | | 1,19,868.00 | |
| | | 8,765 | | 1,26,599 |
| Total Other Current Liabilities | | 8,765 | | 1,26,599 |

PUNIT COMMERCIALS LIMITED

CIN : L51900MH1984PLC034880

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note 3 DEFERRED TAX WORKING

Property, Plant And Equipments

| Sr.No. | Particulars | Current Year Rupees | Previous Year |
|--------|--|------------------------|---------------|
| 1 | Time Difference on account of Fixed Asset value as per Book and as per Income Tax. | | |
| | Net Block of Assets as Per Book | 100 | 100 |
| | Less : WDV as Per Income Tax Act | 311 | 518 |
| | Net Deferred Liability/(Assets) | (211) | (418) |
| | Net Deferred Tax Liability/(Asset) @ 26% | (211) | (418) |
| | Deferred Tax Liability/(Asset) as on year end | (55) | (109) |
| | Deferred Tax Liability / (Asset) as on 31/03/2021 | (109) | |
| | Deferred Tax Loss/(Income) for the current period | 54 | 89 |

Deferred Tax Liability :

Time Difference on account of Fixed Asset value as per Book and as per Income Tax (55) -109

Net Deferred Tax Assets

(55) (109)

PUNIT COMMERCIALS LIMITED
CIN : L51900MH1984PLC034880

Depreciation as Per Income Tax Act, 1961

| PARTICULARS | RATE OF DEP. | AS AT 01.4.2020 | ADDITIONS / ADJUSTMENTS BEFORE 30.09.2021 | ADDITIONS / ADJUSTMENTS AFTER 30.09.2021 | DEDUCTIONS/ ADJUSTMENTS | AS AT 31.03.2022 | DEPRECIATION DURING THE PERIOD | AS AT 31.3.2022 |
|-------------------|--------------|-----------------|---|--|-------------------------|------------------|--------------------------------|-----------------|
| Computer Software | 40% | 518 | - | - | - | 518 | 207 | 311 |
| Total | | 518 | - | - | - | 518 | 207 | 311 |